

**REGISTER OF  
ENTERPRISE AGREEMENTS**

**ENTERPRISE AGREEMENT NO:** EA02/311

**TITLE:** Procter & Gamble Manufacturing Pty Ltd (Rydalmere) Enterprise Agreement 2002/2003

**I.R.C. NO:** IRC02/4887

**DATE APPROVED/COMMENCEMENT:** 4 September 2002/1 April 2002

**TERM:** 31 March 2004

**NEW AGREEMENT OR VARIATION:** Replaces EA01/178

**GAZETTAL REFERENCE:** 8 November 2002

**DATE TERMINATED:**

**NUMBER OF PAGES:** 41

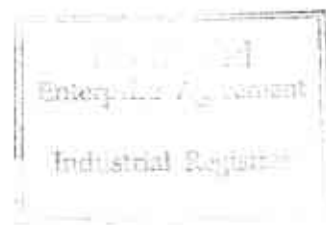
**COVERAGE/DESCRIPTION OF EMPLOYEES:** Applies to all employees of Procter & Gamble Manufacturing Pty Ltd working at 320 Victoria Road, Rydalmere, NSW, who fall within the coverage of the Drug Factories (State) Award and Warehouse Employees Drug (State) Award

**PARTIES:** Procter and Gamble Manufacturing Pty Ltd -&- Shop, Distributive and Allied Employees' Association, New South Wales



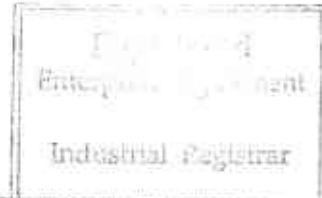
**Procter & Gamble Manufacturing Pty Ltd**

**ENTERPRISE  
AGREEMENT  
2002/2003**



**1 April 2002**

CONTENTS



		Page
Section 1	Preamble	3
Section 2	Environmental Protection, Health and Safety	4
Section 3	Our Purpose, Values and Principles	5, 6
Section 4	Teams at Procter & Gamble Manufacturing Pty Ltd	7
Section 5	Skills Development System (Annexure 1)	8
5.1	Receiving	8
5.2	Compounding	8
5.3	Packing	8
5.4	Distribution	8, 9
5.5	Laboratory	9
5.6	Knowledge Based Skills	9
5.7	Relief	9, 10
5.8	General Business Appreciation	10
5.9	Assessment of Components	10
Section 6	Remuneration and Human Resources Management	11
6.1	Performance and Improvement Counselling	11
6.2	Leave	11
6.3	Equal Employment Opportunities / Affirmative Action	11
6.4	Payments and Allowances	11
6.4.1	Payments	11
6.4.2	Payment of Wages	11
6.4.3	Allowances	11
6.4.4	Bonus for Non-Absenteeism	12
6.5	Grievance Procedure	12, 13
6.6	Workers Compensation Rehabilitation	13
6.7	Union Relationships	13, 14
Section 7	Terms and Conditions of Employment	15
7.1	Part-Time Employees	15
7.2	Casual Employees	15
7.3	Probationary Employment	15
7.4	Separation of Employment	16
7.5	Hours of Work	16, 17
7.5.1	Ordinary Hours of Work	17
7.5.2	Rostered Days Off	17
7.6	Overtime	17
7.7	Shift Work	17, 18
7.8	Meal Periods	18, 19
7.9	Public Holidays / Picnic Day	19
7.10	Full or Partial Shutdown	19
Section 8	No Extra Claims and Signatories	20
Annexure 1	Skills Development Plan 2002, and Skills Development Plan 2003	21, 22
Annexure 2	Performance Improvement Counselling	23-29
Annexure 3	Termination of Employment	30-33
Annexure 4	Flexible Leave Days Bank	34-35
Annexure 5	Probationary Period	36-41

## SECTION 1 – PREAMBLE

### 1.1 Title

This agreement is the Procter & Gamble Manufacturing Pty Ltd (Rydalmere) Enterprise Agreement 2002/2003.

### 1.2 Parties

This Agreement is made between:

Procter & Gamble Manufacturing Pty Ltd (Rydalmere) (hereinafter referred to as P & G or "the Company") and its employees and the Shop, Distributive and Allied Employees' Association, New South Wales (SDA).

### 1.3 Coverage

This Agreement will apply to all P & G employees working at 320 Victoria Road, Rydalmere, whose work responsibilities are described in the Skills Development System in the occupations associated with production, stores and quality assurance.

### 1.4 Duration

This Agreement will begin from the certification of this Agreement and will remain effective until March 31, 2004.

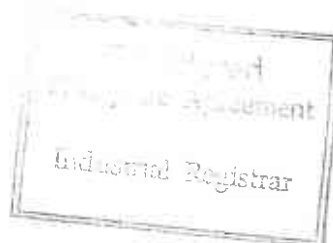
A review of the operation of the Agreement may be conducted on the nomination of any part after 3 months.

The parties will start development of a new agreement three months before expiration of this Agreement.

The terms and conditions of this Agreement shall be read and interpreted in conjunction with The Drug Factories (State) Award and The Warehouse Employees Drug (State) Award. This Agreement will prevail over any inconsistencies with these awards.

### 1.5 Australian Workplace Agreements

The Company undertakes, during the life of this agreement, that they will not pursue with any individual covered by this Agreement any Australian Workplace Agreements under the Federal Workplace Relations Act 1996.

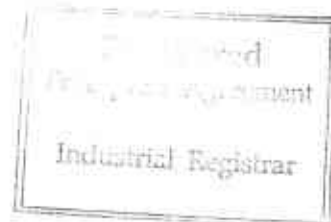


## SECTION 2 - ENVIRONMENTAL PROTECTION, HEALTH AND SAFETY

The Company's policy is to protect the health and safety of its employees and of the public. We strive to exercise responsible stewardship of natural resources that are impacted by Company activities. To accomplish this, the Company is committed to maintaining management systems, programs and procedures for the environmentally responsible management of:

- manufacturing operations;
- packaging;
- transportation and distribution;
- contracted goods and services.

We shall support this policy by maintaining compliance with applicable governmental laws and regulations, as well as the Company's policies and requirements which are set out in the Environmental, Health and Safety (EHS) Policy, Codes of Practice, EHS Guidance, and the Company's Policies and Procedures. Facility Management will encourage all employees to consider environmental protection and health and safety as inseparable parts of their everyday responsibilities. Any unapproved deviation from our standard operating procedures should be brought to the attention of the appropriate department manager immediately and is subject to the appropriate level of disciplinary action.



➤ SECTION 3



Our Purpose, Values and Principles

**PURPOSE**

*We will provide products and services of superior quality and value that improve the lives of the world's consumers.*

*As a result, consumers will reward us with leadership sales, profit and value creation, allowing our people, our shareholders, and the communities in which we live and work to prosper.*

**VALUES**

*P&G is its people and the values by which they live.*



**P&G PEOPLE**

We attract and recruit the finest people in the world. We build our organization from within, promoting and rewarding people without regard to any difference unrelated to performance. We act on the conviction that the men and women of P & G will always be our most important asset.

**LEADERSHIP**

We are all leaders in our area of responsibility, with a deep commitment to deliver leadership results. We have a clear vision of where we are going. We focus our resources to achieve leadership objectives and strategies. We develop the capability to deliver our strategies and eliminate organizational barriers.

**OWNERSHIP**

We accept personal accountability to meet the business needs, improve our systems and help others improve their effectiveness. We all act like owners, treating the Company's assets as our own and behaving with the Company's long-term success in mind.

**INTEGRITY**

We always try to do the right thing. We are honest and straightforward with each other. We operate within the letter and spirit of the law. We uphold the values and principles of P&G in every action and decision. We are data-based and intellectually honest in advocating proposals, including recognizing risks.

**PASSION FOR WINNING**

We are determined to be the best at doing what matters most. We have a healthy dissatisfaction with the status quo. We have a compelling desire to improve and to win in the marketplace.

**TRUST**

We respect our P&G colleagues, customers, consumers and treat them as we want to be treated. We have confidence in each other's capabilities and intentions. We believe that people work best when there is a foundation of trust.

## PRINCIPLES

*These are the Principles and supporting behaviours which flow from our Purpose and Values.*

### **WE SHOW RESPECT FOR ALL INDIVIDUALS**

- We believe that all individuals can and want to contribute to their fullest potential.
- We value differences.
- We inspire and enable people to achieve high expectations, standards and challenging goals.
- We are honest with people about their performance.

### **THE INTERESTS OF THE COMPANY AND THE INDIVIDUAL ARE INSEPARABLE**

- We believe that doing what is right for the business with integrity will lead to mutual success for both the Company and the individual. Our quest for mutual success ties us together.
- We encourage stock ownership and ownership behaviour.

### **WE ARE STRATEGICALLY FOCUSED IN OUR WORK**

- We operate against clearly articulated and aligned objectives and strategies.
- We only do work and only ask for work that adds value to the business.
- We simplify, standardise and streamline our current work whenever possible.

### **INNOVATION IS THE CORNERSTONE OF OUR SUCCESS**

- We place great value on big, new consumer innovations.
- We challenge convention and reinvent the way we do business to better win in the marketplace.

### **WE ARE EXTERNALLY FOCUSED**

- We develop superior understanding of consumers and their needs.
- We create and deliver products, packaging and concepts that build winning brand equities.
- We develop close, mutually productive relationships with our customers and our suppliers.
- We are good corporate citizens.

### **WE VALUE PERSONAL MASTERY**

- We believe it is the responsibility of all individuals to continually develop themselves and others.
- We encourage and expect outstanding technical mastery and executional excellence.

### **WE SEEK TO BE THE BEST**

- We strive to be the best in all areas of strategic importance to the Company.
- We benchmark our performance rigorously versus the very best internally and externally.
- We learn from both our successes and our failures.

### **MUTUAL INTERDEPENDENCY IS A WAY OF LIFE**

- We work together with confidence and trust across functions, sectors, categories and geographies.
- We take pride in results from reapplying others' ideas.
- We build superior relationships with all the parties who contribute to fulfilling our Corporate Purpose, including our customers, suppliers, universities and governments.



#### SECTION 4 – TEAMS AT P & G

Our goal is to continuously improve the areas in which we work. EHS, Quality, Productivity and Participation will continuously improve, through the cultivation of a strong team environment, throughout the whole organisation. The Company and its employees will pursue the creation of 'customer focused self-managed teams'.

##### *What is a self-managed team?*

A team is a number of people with complementary skills who are committed to a common objective, goals and approach for which they hold themselves accountable. They work strongly as a team, valuing individuals' diversity and opinions. They work to create harmony within and across teams throughout the Company.

##### *Why do we want to cultivate a team environment?*

We know that the potential of teams is unlimited and that teams are one of the best methods for improving overall performance of the Company whilst developing and rewarding individuals. We will do this by empowering teams to be accountable and take ownership of the business.

Within our organisation there are a number of teams who focus on areas of growing and improving the business. We want to build on this success by developing the Team environment within our operation. This agreement is not just about the business - greater participation in the development of the business will lead to an improved quality of work life.

##### *How will we cultivate a team environment?*

We will equip team members with the skills needed to function in a team environment and develop them to be decision makers. We have developed a Skills Development System which we believe will assist us with this. However, it is not the only answer. We will develop Teams around the values of the Company and the single most important policy of treating one another fairly and with respect.

The leadership of our Company believes in the development of its employees - it is our pledge. With continued support from upper management, this is the first step.

##### *How long will it take?*

Our organisation is constantly learning and the transformation to teams will take effort and time. Moving to teams can be difficult so we will make assessments and adjust as our business environment changes. The point is, we will never stop learning, developing as individuals and improving our processes.

##### *What will it look like when we get there?*

There are no specific rules that teams need to follow. Over a period of time the teams will evolve and mature gradually taking responsibility for areas such as quality assurance, production scheduling, recruitment, training and other areas. Therefore, as teams develop and become more accountable, the current management roles will change from less direct, administrator roles to more coaching and advisory roles.





## SECTION 5 – SKILLS DEVELOPMENT SYSTEM (Annexure 1)

The classification structure has been designed using the previous structure and training program. The system was developed by a sub-committee, which was formed from the request of the Consultative Committee. At each stage the system has been reviewed and improved upon by the Consultative Committee to ensure conformity.

The system is skill block based. Employees gain skills from undertaking additional training with the objective of improving safety, quality, productivity and participation. Skills gained will become skills paid for when it has been determined there is a need by the Company or department manager/leader and when the person is deemed to be competent. Employees will be formally identified and deemed competent at each skill level following a skills asset monitor/assessment (via training documents). Appeals are to be made through the Consultative Committee. The general rule of thumb is that the skills must be used at least routinely. As with the previous agreement, as employees' income rises, they are to perform duties at classifications below their pay in other departments in addition to their normal department.

Within the framework of the teams it is unlikely that any one member will be responsible for many areas. It is desirable to spread the workload across the team members, combining complementary skills. For example, a line leader would probably not be responsible for mechanically changing over a piece of equipment as well as performing line leader duties. The line leader should have a working knowledge of the processes required. Mechanical changeovers will be the responsibility of the operators.

### 5.1 Receiving

All staff will be required to follow the current classification structure up to and including level 3 competencies. From there the current level 4 will be split into 3 task based areas. These are:

- Finished product testing/approving.
- Testing/approving packaging materials
- Raw material sampling

The 3 areas may be trained for and approved in any order following successful completion of the first 3 levels.

### 5.2 Compounding

All staff will be required to follow the current classification structure up to and including level 2 competencies, which **includes** one work station. From there the current Level 3 and 4 will be split into 5 task based areas. These are:

- Dyes
- Pre-weigh / Dispensary
- Dye Preweigh Room
- Essence (worth half a work station)
- Rollette (worth half a work station)
- Herbal Essences Compounding Room
- Common Base Station

(The deionised work system is not a work station in itself but a necessary part of the overall process).

At level 2, one full work station shall be chosen from any of the above so that there are four remaining full work stations over the current level 3 and 4.

### 5.3 Packing

All staff will be required to follow the current classification structure up to and including level 2 competencies. From there the current level 3 will be split into 2 task based areas and one permanent line leadership area. These are:

1. Changeover of Equipment (where the equipment is designed for quick release as far as is possible) and in accordance to the quick change program.
  - Strip and reassemble fillers
  - Size changes on auto cappers and cartoners across all lines.

The purpose of this is to encourage up-skilling and make the team more self-managing by being less dependant on fitters.

OR

2. Relief Line Leadership (RLL) within the team

- Ensure that the team collects data about downtime on the line effectively.
- Works with the line leader to ensure that all members of the team are contributing to team performance.
- Supports the line leader in the development of self-managed teams.
- Runs line as needed.
- Negotiates with the line leader about holidays and RDO's to ensure that either the LL or RLL are available to run the line as often as possible.
- Responsible for ensuring safety and quality.

OR

3. Permanent line leader on one line

- Trained following current procedure
- All duties of RLL.
- Ensure RLL is kept informed of any changes in running the line.
- To advise where necessary in production planning of their line, re-engineering their line, other areas of expertise.
- To take a proactive role in solving problems.
- Identify training needs of the team. Arrange for training through the team leader.

The line leadership role will be maintained at the current level 4 for employees who are trained to permanently run multiple lines

4. Permanent line leader on multiple lines

- All duties of PLL.
- To be competent in performing line leader duties on multiple lines.

5.4 Distribution

All staff will be required to follow the current classification structure up to and including level 3 competencies. From there the current level 4 remains but there have been added additional development areas. These are:

Relief Distribution Clerk  
Dangerous Goods Airfreight Certification  
Inventory Reconciliation  
Process Improvement Involvement  
Trainer and Facilitator  
Stock Replenishment, Resupply Orders

5.5 Laboratory

The Laboratory will follow the existing classification structure system.

5.6 Knowledge Based Skills

In order to achieve the vision for this site, we recognise that we need to build on our knowledge based skills. As such, we have added some generic skill blocks which are focussed on improving a process. This does not refer to a specific process as the tools can be used to solve any problem. We are offering three broad bands:

1. Data collection and assisting with mapping a work process

This is a basic data collection on a process. This is a basic and fundamental requirement of employees at all levels in order to improve a process. The idea is to collect information



and map it to see how it all fits together. The tools used for this skill will give teams an understanding of what they do within a process.

2. Gathering and interpreting data

Analysing and bringing data together with knowledge of a work process to improve it. The stages of this skill require the development of competence in using more abstract thought to analyse the present situation and change it. That is:

- Can gather and interpret data using a variety of statistical tools.
- Analyses and improves a work system on a consistent basis.
- Monitors the efficiency of a work process to ensure that there is consistent improvement in efficiencies.

3. Process Improvement Trainer and Facilitator

- Facilitates process improvement projects with people from various departments.
- Trains people in Process Improvement by conducting process improvement projects with teams.
- Evaluates the performance of the team according to improvements made by the team.

Note: These additional skills would be fully developed over a two year period.

5.7 Relief

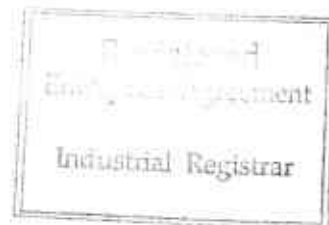
The purpose of reliefs is to allow wider flexibility across the organisation. All types of leave will need to be managed so as not to overlap.

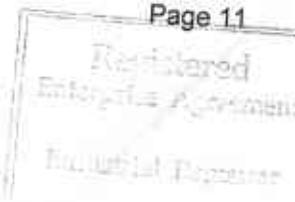
5.8 General Business Appreciation

In order for employees to gain an understanding of the financial management of P & G, programs will be developed to assist employees understanding of Cost of Goods, Budgets, Planning and Profit and Loss.

5.9 Assessment of Competence

Employees will be assessed for competence in accordance with current practice. If there is a drop in performance for any reason, then the Company's Performance Improvement Counselling, Annexure 2, will apply.





**SECTION 6 – REMUNERATION AND HUMAN RESOURCES MANAGEMENT**

**6.1 Performance and Improvement Counselling**

All forms of Performance and Improvement Counselling are dealt with within the guidelines set out in Annexure 2.

**6.2 Leave**

Annual leave will be granted in accordance with the Annual Holidays Act 1944. Refer Employee Information Folder and/or ES Connect.

For all other types of Leave, refer to Employee Information Folder and/or ES Connect.

**6.3 Equal Employment Opportunities/Affirmative Action**

The Company's policy is to treat everyone 'fairly and with respect'. The Equal Employment Opportunity Policy reflects the guidelines set out the Affirmative Action/EEO Act. Refer Employee Information Folder and/or ES Connect.

**6.4 Payments and Allowances**

**6.4.1 Payments**

Employees will receive a 4.5% increase from 1<sup>st</sup> April 2002, and a 4.5% increase from 1<sup>st</sup> April 2003. The 2003 review (4.5%) will run until 31<sup>st</sup> March 2004. All wages will be paid on a monthly basis, on or about the 14<sup>th</sup> day of each month, direct into employees' nominated bank accounts.

**Comparison of wages from previous agreement**

Level	1 April 2001	1 April 2002	1 April 2003
5	\$736.70	\$769.85	\$804.49
4	\$681.80	\$712.48	\$744.54
3	\$638.72	\$667.46	\$697.50
2	\$599.06	\$626.02	\$654.19
1	\$548.04	\$572.70	\$598.47

**i. Safety Net**

At no stage will employees be disadvantaged versus the relevant award, based on total remuneration package and conditions of employment during the term of this enterprise agreement. Any pay anomaly will be calculated on a monthly basis. This condition does not apply to employees who move to lower levels due to performance reasons.

**ii. Superannuation**

All employees covered by this Enterprise Agreement are members of the Procter & Gamble Retirement Plan. The operation of the Procter & Gamble Retirement Plan is governed by a legal document known as the Trust Deed. The Trustees ensure that the plan is properly administered in accordance with this document. There are four Trustees. Two are Plan members elected by the members, and two are appointed by the Company.

The Plan meets the requirements of the Government's standards for superannuation plans.

Further information on the Plan benefits is available in the P & G Member Booklet.

**6.4.2 Payment of Wages**

Wages shall be paid by electronic Funds Transfer (EFT) into each individual employee's nominated bank account, on a monthly basis.

### 6.4.3 Allowances

The parties to this Agreement are committed to the total integration of all allowances into the base rate of pay during the life of this Agreement. All other allowances except for those listed below have been absorbed into the appropriate rate of pay for the relevant classification. These allowances will not apply to those employees in Staff Roles.

In addition to the rates of pay outlined in Clause 6.4.1 of this Agreement, the following allowance shall be paid as appropriate and will be paid separately at the following rate:

First Aid allowance - \$12.12 per week in 2002 and \$12.67 per week in 2003. This is on attainment of St John Ambulance Certificate and assigned as a First Aider by the Company.

The payment of any other individual allowances will not be a feature of this Agreement. Employees and management accept that there will be no extra claims for allowances for the life of this Agreement.

### 6.4.4 Bonus for Non-Absenteeism

The Bonus for Non-Absenteeism applies to full-time employees covered by the Enterprise Agreement and who have been employed by the Company for a minimum of 12 months, at time of qualification. Absenteeism is defined as sick and/or personal carers leave and does not include Annual Leave, Long Service Leave, RDOs, Jury Leave, Study Leave, Military Leave, Maternity Leave/Parental Leave or Bereavement Leave.

Bonus payment will be paid at the employee's appropriate rate of pay. Payment will be made once only in December. Where an employee is away on leave in excess of three months, e.g. Long Service Leave, Maternity Leave, the above bonus payment will be paid on a pro-rata basis.

Guidelines:-

1. To qualify for the Non-Absenteeism Bonus, an employee must have a minimum of 76 hours banked under Sick Leave provision.
2. Sick days are accrued at 6.33 hours per month. Therefore 12 months = 76 hours, or 10 days.
3. Any sick leave taken during the calendar year will be taken from the current year entitlements before drawing from any banked sick leave.

Example:-

Hours brought forward	Current Year's Entitlement	Sick Leave Taken	Total Hours at End of Year	Bonus Hours Payment
150 hours	76	0	226	76
0 hours	76	0	76	0
150 hours	76	7	219	69

4. Current sick leave entitlement is maintained in a holding bank and will be used in the event you are sick and require more than 10 days sick leave in any one year. In such an event the sick leave bonus would not apply and therefore you would not qualify for a bonus payment.
5. An employee may increase their sick leave holding bank from 76 hrs to any number of hours above this, for individual requirements. Therefore an employee may transfer hours from the bonus scheme to their holding bank of sick leave.
6. If at the end of the qualifying year an employee has a minus balance, e.g. -23.00hrs, they will not qualify for any bonus and will re-commence the new year on a 0 balance.

7. If a balance of 76 hours or below is held at the end of the qualifying period, no bonus is paid. No hours can be cashed in at or below 76 hours. The scheme is designed to maintain a safety net of 76 hours/10 days as a minimum.
8. The current sick leave system remains separate from the bonus system. The sick leave policy will continue to be administered as it was before.
9. If an employee terminates during the year, they will receive any bonus accrued up to their termination date.

## 6.5 **Grievance Procedure**

### Policy

Where a grievance/dispute arises, an employee shall seek remedy by using the process described below. The elements of this policy are:

1. Any grievance or dispute will be dealt with as quickly as possible.
2. To ensure that the proper relationships are preserved, such matters must be handled through the supervisor concerned.
3. No employee will be disadvantaged as a result of acting in terms of this procedure.

### Procedure

The following procedure applies in dealing with grievances from an individual or group of employees. It also includes any matter that might lead to a dispute between employees and the Company:

- Step 1 The employee (or representative of the group) will discuss the grievance with the immediate supervisor.  
If not resolved, proceed to Step 2.
- Step 2 The employee and supervisor will inform the department head of any grievance or dispute. At this stage the employee may be accompanied by the union delegate if he/she requests it. The department head will endeavour to resolve the grievance/dispute.  
If not resolved, proceed to Step 3.
- Step 3 The matter is discussed with the Site Manager, department head, the employee and the union delegate if the employee requests it.  
If not resolved, proceed to Step 4.
- Step 4 The matter is discussed in a meeting comprising the Site Manager and the Human Resources Manager. If a union member is involved the union organiser and delegate may also attend.
- Step 5 If the matter is still unresolved it may be referred by either party to the NSW Industrial Relations Commission for conciliation and/or arbitration.

While all these discussions are taking place, it is expected that all work activities will continue as normal.

## 6.6 **Workers' Compensation/Rehabilitation**

All forms of Workers' Compensation/Rehabilitation issues are dealt with within the guidelines set out in the Company's Policies and Procedures. Refer to the current Occupational Health and Safety Act.

## 6.7 **Union Relationships**

### i. Union Membership

All employees will have the choice as to whether or not they wish to be represented by a union on site. Employees may become members of the principal trade union, which is

the Shop, Distributive and Allied Employees' Association, New South Wales (SDA).

ii. Role of Union

The Company believes that employees would be best represented by one preferred trade union for the Rydalmere site. The union has a role to play in offering assistance and advice to its members and to offering training and benefits where the need arises.

iii. Right of Entry

The Company will allow an accredited official of the preferred union to enter its building during working hours for the purpose of interviewing members of the union, giving 24 hours notice of their intention to enter the premises to meet with their members.

An accredited representative of the union shall enter the building through the main reception only. The representative of the union shall not unduly interfere with the working of the operation, and the receptionist will notify the appropriate managerial personnel when such entry is requested.

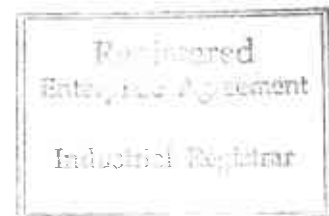
If there is a need for an accredited official to enter a workplace area, approval must be sought from the Site Manager, before such entry is made.

iv. Union Delegates

The Company recognises the right of the duly elected Union Delegate(s) to represent employees on matters pertaining to grievances and other issues relating to this Agreement.

v. Trade Union Training

Refer Drug Factories (State) Award, Clause 34.



## SECTION 7 – TERMS AND CONDITIONS OF EMPLOYMENT

Employment will be on a full time, part time or casual basis.

All permanent employees covered under this Agreement shall be employed on a weekly basis

### 7.1 Part Time Employees

A part time employee is defined as a worker employed on a permanent basis, who is required to work less than 30 hours per week.

- i. Part-time employees may be employed as required.
- ii. Unless otherwise specified, the ordinary span of hours shall be the same as those prescribed for full time weekly employees, provided that part-time employees hours shall not be less than fifteen (15) hours per week. All work performed outside of ordinary hours shall be paid for at the appropriate overtime rate.
- iii. Part-time employees will be paid at an hourly rate of pay, which will not be less than the rate of one-thirty eighth of the weekly wage of the appropriate equivalent full-time classification.
- iv. All other provisions of this Agreement with respect to annual leave, sick leave and holidays shall apply to part-time employees on a pro-rata basis.

### 7.2 Casual Employees

In this Agreement, a casual employee shall mean an employee supplied to the Company by a 3<sup>rd</sup> party supplier, engaged on an hourly basis to perform, short term work to meet peak demands with no set hours of work, unless otherwise specified. The casual employee's contract of employment finishes at the end of each day of work.

The Company believes it is preferable to have the maximum number of employees on site as full time permanent employees. However, there will be circumstances such as promotional periods where the total number of casual employees (including 3<sup>rd</sup> party casuals) may increase to levels as high as 50% of total employees.

- i. Casuals will be paid an hourly rate of pay. The casual rate of pay will be based on 86.3% of the first level for each area to which they are assigned, divided by 38 plus 17.5% casual loading plus 1/12 annual leave calculated to the nearest cent.
- ii. The span of ordinary hours for casual employees, including meal breaks, shall not exceed ten (10) per day or 38 per week. All work performed outside of ordinary hours shall be paid for at the appropriate overtime rate for casuals.
- iii. Casual employees will be engaged for a minimum of four (4) hours for any one engagement.
- iv. The determination for the need for casual labour will be the responsibility of management.
- v. Other terms of this Agreement do not apply to Casuals.

#### Casual Entry Levels

Level 4	Laboratory
Level 3	Laboratory Assistant
Level 2	Manufacturing
Level 1	Packing/Receiving/Distribution





**7.3 Probationary Employment**

- i. A probationary period of three (3) months will be applied to all new employees. The probationary period shall commence from the date of engagement to permanent employment status.
- ii. The Company may terminate a probationary employee who does not satisfactorily meet any one of the following standards:
  - Job performance – quality/quantity of work, knowledge of job, general attitude.
  - Conduct – cooperation with management and other employees, adherence to Company policies and regulations including the O H & S and environmental policy.
  - Attendance and punctuality.
  - Any breach of Company policy.
- iii. Probationary employees will be subject to three reviews on a monthly basis during the period of probationary employment, involving their immediate supervisor/manager/peers. Refer Annexure 5.
- iv. A probationary period may extend, by mutual agreement, for a period of one (1) month, when additional time is required to evaluate the employee to meet the above standards. In these cases, the employee will be notified in writing of the extension by their supervisor.
- v. All employees will be subject to the conditions of the probationary period once employed on a permanent basis.
- vi. An employee, while engaged on a probationary period, may be terminated with one (1) week's notice.

**7.4 Separation of Employment**

All forms of termination of employment from the Company are dealt with within the guidelines set out in the Company's Policies and Procedures. Refer Annexure 3.

Management and employees will abide by the following as part of this Agreement:

- i. Resignation  
Employees terminating their employment through resignation must confirm their intention in writing within the appropriate period of notice, being one week for employees covered by this agreement.

Where requested, and with the agreement of the employee, the Human Resources Department will conduct an Exit Interview with the departing employee.

- ii. Dismissal  
Dismissal of an employee should only occur after a review is made by the relevant Department Manager in consultation with the Human Resources Department and the Site Manager discussing the incidents leading up to this action.

- iii. Notice of Termination

- a) Except in the case of misconduct, when employment may be terminated without notice, the employment of a permanent or part-time employee may be terminated by the payment of forfeiture of wages in lieu of notice in accordance with the Workplace Relations Act 1996.

Service	Period of Notice
Less than one year	1 week
1 – 3 years	2 weeks
3-5 years	3 weeks
More than 5 years	4 weeks

Note: If an employee is over 45 years of age and has completed 2 years of service or more, the employee is entitled to an additional week.

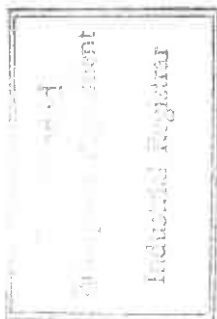


- b) At any time where misconduct is suspected, an employee shall be suspended with full pay and conditions pending a full investigation of the circumstances.
- c) In the case of misconduct, it is preferable that the services of the employee be terminated immediately or as soon as possible after the offence has been committed.
- d) Casual employees can be terminated with one hour's notice and paid for the hours worked. In the case of misconduct, a casual will be terminated without prior notice and paid for the hours worked.
- e) Security of employment - Continuity of employment, job security and future career prospects within the Company are all key objectives of P & G in Australia. This Agreement, in itself, will not lead to forced redundancies, however, should the need arise due to other factors or influences, the Company agrees to follow the redundancy agreement as applicable with employees and relevant union, prior to any involuntary redundancies being implemented. Refer Annexure 3.

## 7.5 Hours of Work

### 7.5.1 Ordinary hours of work

- a) Flexibility in the designated daily hours of work will optimise work effectiveness, offer the Company greater opportunities to respond to market and customer requirements and provide employees with greater scope for balancing work and family commitments.
- b) The ordinary hours of work shall be worked continuously, except for meal breaks, between the operating hours of 6 am to 6 pm, Monday to Friday.
- c) The regular working week for permanent full-time employees will be based on an average of thirty-eight (38) hours over 5 days unless otherwise mutually agreed (refer to point v.).
- d) The rostered ordinary hours of work may be averaged over a twenty (20) day cycle, provided that the roster shall be fixed by mutual agreement between the supervisor/manager and the employee(s) concerned.
- e) Within the normal 38 hour rostered week, by mutual agreement employees may be required to work up to 10 ordinary hours on any week day at normal rates of pay.



### 7.5.2 Rostered Days Off

#### Principles of Flexible Leave Days Bank

Leave under the flexible Leave Days Bank scheme is to be taken at a mutually agreed time between the employee and the Department Manager, with minimum disruption to the operations (time taken will be at the Friday rate of 7 hours 20 minutes), refer Annexure 4.

## 7.6 Overtime

Employees would be expected to make themselves available to work a reasonable number of hours in excess of the normal rostered hours as requested by management in order to meet operational requirements of their job and the needs of the business.

Where practical, employees will be provided with reasonable notice to work overtime and full time employees will be given the first option to work overtime in preference to casual staff.

Based on a 38 hour week for full time permanent employees and casual contract staff, overtime will be calculated as follows:

- i. In computing overtime, any portion of an hour less than thirty minutes shall be reckoned as half an hour and any portion of an hour in excess of thirty minutes shall be reckoned as one (1) hour.
- ii. 1.7 x the ordinary rate of pay calculated after working in excess of the normal rostered hours from Monday to Friday.
- iii. Saturdays: Overtime will be calculated at 1.5 x ordinary rate of pay for the first two (2) hours worked and 2 x thereafter with a minimum payment of four (4) hours.
- iv. Sundays: Overtime will be calculated at 2 x ordinary rate of pay for the whole day with a minimum payment of four (4) hours.
- v. Public holidays: Overtime will be calculated at 2.5 x ordinary rate of pay for the whole day.
- vi. Overtime is calculated in this manner as a result of the flexible start and finish times required and the flexible operating span of hours as part of this Agreement.
- v. Where overtime is worked, it shall, wherever reasonably practicable, be so arranged that employees have at least ten (10) consecutive hours off duty between the work of successive days.
- viii. Where an employee has been unable to have the above break of ten (10) hours, the provisions set out in SHIFT WORK, point vii. and point viii. shall apply.
- ix. Where an employee, after having worked overtime, finishes work at a time when reasonable means of transport are not available, the Company will provide them with a reasonable means of conveyance to where public transport is available, or, if no public transport is available, to their home.
- x. Where an employee is recalled to work overtime after leaving work (whether notified before or after leaving the premises), the employee will be paid for a minimum of four (4) hours at the appropriate rate for each time they are recalled; or by mutual agreement by the employee and the Company, the employee is not required to work the full four (4) hours if the job they were recalled to perform is completed within a shorter period, will be paid only for their time worked.

Overtime for casual contract staff will be based on the normal contract basis, when called in. Overtime will be paid at the same rate (1.7) as full time employees.

## 7.7 SHIFT WORK

- i. "Afternoon Shift" shall mean a shift commencing after 12:00 noon and finishing after 6:00 pm but not later than 12:00 midnight.
- ii. A shift worker whilst on afternoon shift shall be paid 15% more than his/her ordinary rate for such shift. Provided that where work continues beyond midnight employees shall be paid at overtime rates, i.e. 1.7 x ordinary rate of pay.
- iii. Shift workers shall be allowed twenty (20) minutes on each shift for a meal, which shall be counted as time worked. These breaks are called Crib breaks and shall be taken at a time and manner that facilitates continuous production.
- iv. Day workers will be asked to volunteer for shift work, but, in the circumstance where there are insufficient volunteers, the Company will explore all options including the use of casual labour. However, as a last resort the Company shall have the right to select the appropriate employees to perform this work.

- v. Where practical, employees affected shall be given one (1) months notice of the introduction of shift work or the change of shift arrangements, provided that in emergencies seven (7) days notice shall be sufficient. However, this required notice period may be reduced by mutual agreement between the Company and the employees concerned.
- vi. Employees who are required to change shifts shall, wherever reasonably practical, be allowed ten (10) consecutive hours off duty between shifts.
- vii. An employee who has not had at least ten (10) consecutive hours between his or her standard shift finishing time and standard shift commencement time on the next day, shall be released from duties until he/she has had ten (10) consecutive hours off duty without loss of pay for normal working time during such an absence.
- viii. If on instructions of the Company, such an employee resumes work without having had such ten (10) consecutive hours off duty, he or she shall be paid at double rates until he or she is released from duty for such period. The employee shall be entitled to be absent until he or she has had ten (10) consecutive hours off duty without loss of pay for normal working time occurring during such an absence.
- ix. In the event of shift work being required, we will design the shift pattern based on consensus through the Consultative Committee process.
- x. The overtime rate for shift workers is calculated using the ordinary rate of pay.

#### **7.8 MEAL PERIODS**

Meal periods apply to shifts between the hours of 6:00 am and 6:00 pm.

A meal break will be as defined below:

- i. An unpaid meal break of one half hour will be taken between 3.5 hours and 6.5 hours from the time of commencement of duties.
- ii. Employees will be entitled to a paid morning tea break of no more than ten (10) minutes, which may be taken within the first four (4) hours of work, at times which minimise disruption to the operation.

#### **7.9 PUBLIC HOLIDAYS / PICNIC DAY**

Public holidays will be those days gazetted by NSW and will include: New Year's Day, Australia Day, Good Friday, Easter Monday, Anzac Day, Queen's Birthday, Labour Day, Christmas Day, Boxing Day. The foregoing days will be taken on the date proclaimed as public holidays, or days in lieu of public holidays, by the NSW State Government and are subject to change by the Government.

Work done on any public holiday or Easter Saturday shall be paid for at the rate of double time and one half with a minimum payment of four hours.

- ii. Picnic Day to be taken on any day mutually agreed to by employee and supervisor.

#### **7.10 FULL OR PARTIAL SHUTDOWN**

i. It is normally expected that there will be one shutdown (partial or full) a year with a minimum of one month's notice. Management will indicate where some or all employees may be required to take annual leave as part of a required shutdown.

ii. Nothing in this EA shall effect the right of the Company to apply for stand-down orders in accordance with prevailing NSW legislation.



**SECTION 8: NO EXTRA CLAIMS AND SIGNATORIES**

All parties agree that during the life of the current agreement, no party will raise any further claim relating to the terms and conditions of the agreement.

This agreement has been negotiated through extensive consultation, commitment and participation between management and employees, both directly and through the Consultative Committee and the Union.

The contents of this Agreement have been canvassed with all parties.

All parties are entering into this agreement with full knowledge as to the contents and effect of the document. The parties declare that this agreement:

- is not contrary to public interest
- is not unfair, harsh or unconscionable
- was at no stage entered into under duress
- reflects the interests, objectives and needs of the parties.

This Agreement is made at Rydalmere in the state of New South Wales on 1<sup>st</sup> April 2002.

AGREEMENT SIGNED FOR AND ON BEHALF OF  
Procter & Gamble Manufacturing Pty Ltd

*John Law* ..... date *13/08/02*

In the presence of

*John Law* ..... date *13/8/02*

SIGNED FOR AND ON BEHALF OF  
Shop, Distributive and Allied Employees' Association, New South Wales (SDA)

*E. J. ell* ..... date *31/07/02*

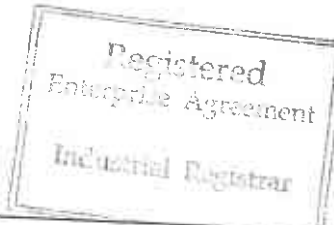
In the presence of

*W.L. Deelake* ..... date *31/07/02*





## SKILLS DEVELOPMENT PLAN FOR 2003

Receiving	Compounding	Packing	Distribution	Laboratory
\$	\$	\$	\$	\$
Receiving Duties	654.19	598.47	654.19	654.19
All Receiving including clerical or incoming Q.A.	697.50	654.19	Distribution Duties	
		10.83	All Distribution and Relief Transport Coordinator	Laboratory Assistant
		21.66	Include one full skill set from below list: Relief Distribution Clerk (0.5) Inventory Reconciliation (0.5) Trainer & Facilitator (1) Dangerous Goods Airfreight Certification (0.5)	697.50
Finished Product testing	15.68	43.33	Involvement in Process Improvement Teams (0.5)	744.54
	15.68	744.54	Stock Replenishment - Resupply Orders (0.5)	
	15.68		One full skill set is worth 29.92 One half skill set is worth 14.96	
Relief Team Leadership	804.49	804.49	Full Time Clerical Role and Transport Coordinator (Includes all current Distribution duties)	744.54
				
Data Collection				
\$ -	\$21.66	\$42.99	1 <sup>st</sup> Aid Allowance	\$12.67

# Procter & Gamble Manufacturing Pty Ltd

## PERFORMANCE IMPROVEMENT COUNSELLING

Annexure: 2

Prepared by:	Approved by:	Page: 1 of 7
Date:	Date:	Review Date:

### PURPOSE:

Performance Improvement Counselling is a positive process which aims to give employees the opportunity to improve their job performance or behaviour to a satisfactory standard. If the employee fails to improve after all appropriate actions are taken, and termination of employment results, then the process aims to ensure the termination is not harsh, unjust or unreasonable.

There are occasions when a Supervisor or Manager finds the performance or behaviour of an employee unacceptable. This may be the result of unsatisfactory performance levels or work quality, absenteeism, breaches of Company rules and procedures, socially unacceptable conduct at work or other deviations from established standards. All these require prompt attention by the Supervisor or Manager.

The following policy and procedures outlines the principles which apply to Performance Improvement Counselling.

### ELIGIBILITY:

All permanent employees of the Company.

### PROCEDURE:

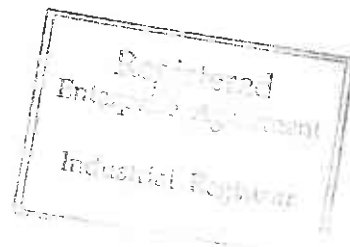
#### 1. INITIAL CONSIDERATIONS

Before considering commencement of the performance counselling process, the Supervisor must be certain the following actions have been observed.

- 1.1 The employee has been provided with a clear Job Description of Company Policy.
- 1.2 Details of the acceptable standards of performance and/or expected behaviour have been outlined to the employee.
- 1.3 Sufficient on-the-job training/coaching/counselling has been carried out.

#### 2. RESPONSIBILITY

- 2.1 The Supervisor must ensure that the occasions when the counselling process is to be used when there is sufficient evidence of a shortfall in the performance or behaviour which, if left uncorrected, could place the employee's continued employment with the company in doubt.
- 2.2 The interests of both the employee and the Company must be safeguarded at each step of the process.
- 2.3 The employee's immediate Supervisor is responsible for carrying out the performance improvement counselling process. The Supervisor should keep his/her Manager and the Human Resources Department informed of the progress. In the event of termination, prior approval to terminate and the termination conditions must be obtained from Human Resources, only after the Performance Improvement counselling process has been followed.





# Procter & Gamble Manufacturing Pty Ltd PERFORMANCE IMPROVEMENT COUNSELLING

Annexure: 2

Prepared by:	Approved by:	Page: 2 of 7
Date:	Date:	Review Date:

### 3. DOCUMENTATION

- 3.1 Details of all Performance Counselling Interviews must be documented on the "Record of Performance Counselling Interview" form (refer Attachment 1). This form serves as an accurate record of what was said at the interview, acts as an action plan for performance improvement and reinforces to the employee the Company's attitude toward maintaining its high standard of performance and behaviour.
- 3.2 The "Record of Performance Counselling Interview" form should be completed, signed by both Supervisor and employee and distributed within 24 hours of the conclusion of the interview. Guidelines for conducting the interview are available on the back page of the form and further details can be provided by the Human Resources Department.
- 3.3 The employee should receive a copy of the form whilst the original is to be retained on their Personnel file.
- 3.4 If an employee refuses to sign the form, the Supervisor should make a notation on the form giving the reasons why.

### THE PERFORMANCE COUNSELLING PROCESS

#### STEP ONE

The employee should be verbally counselled on an informal basis. The Supervisor should spell out the nature of the deficiency, the problem caused, ask the employee why it occurred and their suggestions on how to improve and state the expected improvement. A follow-up date should be organised with the employee to review their progress (2-4 weeks). The date and summary of the conversation should be noted on the employee's personnel file.

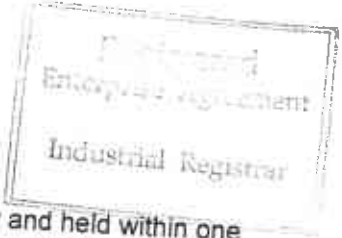
An objective third party should be in attendance at any counselling process, either requested by the employee or Supervisor. The Supervisor should outline the next steps of the Performance Improvement Counselling Process if improvement is not achieved.

#### STEP TWO

In the event of failure to meet the required standards within the agreed time frame, a meeting will be arranged for a formal Performance Counselling Interview. This must involve the use of the Record of Performance Counselling Interview form and the following areas must be covered:

- Details of Deficiencies
- Employee's response
- Corrective Action Plan
- Next Review Date

A Review Date should be set prior to completion of the interview and held within one month. An objective third party should be in attendance at any counselling process, either requested by the employee or Supervisor.



## Procter & Gamble Manufacturing Pty Ltd PERFORMANCE IMPROVEMENT COUNSELLING

Prepared by:	Approved by:	Page: 3 of 7
Date:	Date:	Review Date:

**STEP THREE** This step is the follow-up interview to review progress and should be held on the review date previously agreed upon and documented on to the employee's personnel file.

If the problem has been addressed and improvement achieved as required, the purpose of the interview should be to acknowledge the fact.

If the problem has not been corrected, it may be appropriate to repeat Step Two.

**STEP FOUR** If the problem has still not been corrected after STEP THREE and there are no remaining alternatives, termination of employment will be considered.

On all occasions, Supervisors should aim for agreement by the employee on specific performance/behaviour standards and allow at least/most 4 weeks between counselling interviews.

It should also be specifically noted that in cases of severe or significant behavioural or performance issues the Supervisor/Manager may cut out any or all of Steps 1 through 4 (refer Instant Dismissal Policy).

### TERMINATION OF EMPLOYMENT

The final approval for the dismissal of any employee lies with the Site Manager in consultation with Human Resources.

The employee should be informed this record of performance deficiency or breach of procedures by the employee may result in their termination of employment.

The employee should be informed this record of performance counselling will remain on their personnel file for a 12 month period. The employee should also be informed if during this 12 month period any other performance deficiency or breach of procedures by the employee may result in their termination of employment.

The dismissal of an employee will be the only alternative when all other problem-solving and counselling efforts have failed and improvement in performance/behaviour is not forthcoming or where the behavioural or performance issue is sufficient in law to warrant immediate termination of employment.

The termination of employment interview should be concise and to the point, outlining the continuing deficiencies in performance/behaviour. If the employee is a union member, the employee's union delegate should be invited to attend the meeting.

A representative of the Human Resources Department or Site Manager should also be present at the termination interview.

Any instances of wilful misconduct, gross misbehaviour or theft by an employee should be managed under the conditions outlined in the policy on Instant Dismissal.



**Procter & Gamble Manufacturing Pty Ltd  
PERFORMANCE IMPROVEMENT COUNSELLING**

Prepared by:	Approved by:	Page: 4 of 7
Date:	Date:	Review Date:

**FLOW CHART  
THE PERFORMANCE COUNSELLING PROCESS**

**STEP 1**

Supervisor counsels Employee verbally and a summary of the session placed on the Employee's personnel file.

**STEP 2**

If the issues are not resolved, a formal counselling interview takes place. This records:

1. Details of the problem areas.
2. Employee's response.
3. A plan to correct the problems.
4. Next review date.

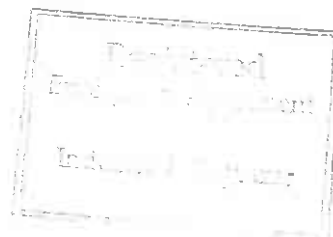
**STEP 3**

This step is the follow-up interview on action agreed in Step 2.

**STEP 4**

If the problem is not resolved, Repeat 3. The last action if all else fails is a recommendation that employment be terminated.

- NB**
1. The Supervisor may recommend immediate termination where he/she believes the behaviour or performance warrants such action and the Human Resources Department believes such action is not in contradiction of law.
  2. Each step of the counselling process must be documented using the "Record of Performance Counselling Interview" form with a copy to employee and original placed on the employee's personnel file.



# Procter & Gamble Manufacturing Pty Ltd PERFORMANCE IMPROVEMENT COUNSELLING

Annexure: 2

Prepared by:	Approved by:	Page: 5 of 7
Date:	Date:	Review Date:

**CONFIDENTIAL**

## RECORD OF PERFORMANCE COUNSELLING

### INTERVIEW

DATE OF INTERVIEW:	TIME COMMENCED: TIME FINISHED:
--------------------	-----------------------------------

EMPLOYEE: \_\_\_\_\_

POSITION: \_\_\_\_\_

SUPERVISOR: \_\_\_\_\_

POSITION: \_\_\_\_\_

WITNESS: \_\_\_\_\_  
(Optional)

POSITION: \_\_\_\_\_

#### PURPOSE OF INTERVIEW:

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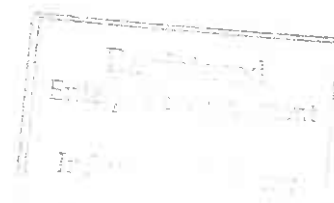
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#### DETAILS OF PERFORMANCE OR BEHAVIOUR DEFICIENCIES:

(The exact details of the performance deficiency must be clearly stated and quantified. Details should be given of where the individual fell short of the required Company standard and the problem caused by the shortfall in performance.)



# Procter & Gamble Manufacturing Pty Ltd PERFORMANCE IMPROVEMENT COUNSELLING

Annexure: 2

Prepared by:	Approved by:	Page: 6 of 7
Date:	Date:	Review Date:

### EMPLOYEE'S RESPONSE:

(The employee must be given an opportunity to explain the situation. It is possible he/she may not be at fault or may have an acceptable reason for the action. Keep an open mind and obtain all details.)

(Attach extra pages if required)

### CORRECTIVE ACTION PLAN:

(The employee should be told what improvement is expected, how it should be achieved and by what date. The employee should also be given the opportunity to give their own suggestions as to how to improve performance. Any assistance required of the supervisor should be offered and the consequences spelt out should the problem not be addressed and/or the employee fails to improve. Next to the performance or behaviour deficiency and proposed action section, it should also be noted who will take the action and when it should be completed. The nature of the corrective action plan will be based on the severity of the incident.)

### PERFORMANCE DEFICIENCY:

### ACTION:

### WHO:

### WHEN:

PERFORMANCE DEFICIENCY:	ACTION:	WHO:	WHEN:

**NEXT REVIEW DATE:** \_\_\_\_\_ **TIME:** \_\_\_\_\_

(A specific date and time should be set at interview and agreed upon by employee and Supervisor)

I acknowledge that the details on this form were discussed and agreed upon by all present at the interview.

**EMPLOYEE:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**SUPERVISOR:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**WITNESS (Optional):** \_\_\_\_\_

**DATE:** \_\_\_\_\_

Distribution: Original – Human Resources Department  
Copy – Employee



# Procter & Gamble Manufacturing Pty Ltd PERFORMANCE IMPROVEMENT COUNSELLING

Annexure: 2

Prepared by:	Approved by:	Page: 7 of 7
Date:	Date:	Review Date:

## SUPERVISORS GUIDELINES FOR THE INTERVIEW

### 1 GET ALL THE FACTS

Do your homework! Be certain you have all the facts before questioning the employee about the deficiency or infraction. The information should be accurate and indisputable.

### 2 BE HUMANE

It is possible the problem may be caused by reasons outside of the employee's control or there could be some underlying personal trauma causing the problem. Be firm, but considerate.

### 3 BE POSITIVE AND OBJECTIVE

The cost of recruiting, training and developing employees is high. Consider the investment the Company has made in the individual and the effect of termination of their employment. It is often much less expensive (in terms of financial, time and emotional cost) to give extra effort to assist a employee to improve, than to replace the employee.

### 4 ACT PROMPTLY

There should be no undue delay from the time the performance or behaviour deficiency is detected to the time action is taken. Unacceptable performance or behaviour which is allowed to continue unchecked for any period of time may be regarded by the employee as acceptable performance.

### 5 BE IMPARTIAL

The best way to undermine a corrective action programme is to counsel some employees for poor performance but not others. Always ensure that everyone is treated equally.

### 6 BE FAIR

Ensure the treatment of the individual is fair. The degree of corrective action must be relative to the nature of the problem and the individual's past service record.



## Procter & Gamble Manufacturing Pty Ltd

### TERMINATION OF EMPLOYMENT

Prepared by:	Approved by:	Page: 1 of 1
Date:	Date:	Review Date:

#### ELIGIBILITY:

All permanent employees.

#### PURPOSE:

This policy sets forth the procedure under which all permanent contracts of employment may be terminated.

#### PROCEDURE:

1. All terminations of employment contracts are to be in writing giving the required notice period (1 week).  
  
An employee may request the Company to waive part or all of the notice period, which the Company may accept at its total discretion. It is also the prerogative of the Company to pay the employee in lieu of notice and terminate the contract immediately.
2. The letter of resignation should be addressed to the immediate Supervisor who will append any conditions of acceptance that he/she might wish to attach to the resignation and forward same to the Human Resources Department.
3. The Human Resources Department will officially respond to the employee by acknowledging the letter of resignation and setting out the terms and conditions attached to the termination of employment.
4. At the same time, the employee will be issued with a Certificate of Service.
5. The Human Resources Department will communicate to the Pay Office who will calculate the final payroll benefits/entitlement and ensure payment to the employee concerned within 48 hours of the final date of employment.
6. The Pay Office will initiate the withdrawal process of the employee's superannuation benefits and communicate to the employee.



## Procter & Gamble Manufacturing Pty Ltd

### INSTANT DISMISSAL

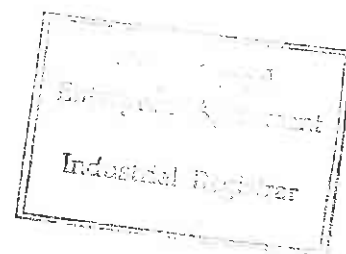
Prepared by:	Approved by:	Page: 1 of 1
Date:	Date:	Review Date:

#### PURPOSE:

Instant dismissal of an employee is recognised by the Company as a most serious matter and as a means of terminating a contract of employment. It is not to be entered into without there being definite evidence of serious misconduct, compliant with legal requirements.

#### PROCEDURE:

1. Prior to commencing any action which may relate to dismissal, the Manager/Supervisor should consult the Site Manager and the Human Resources Department.
2. Most award or agreements give expression to the common law principle entitling an employer to summarily dismiss an employee in the event of misconduct.
3. There is no fixed rule of law defining the degree of misconduct which will justify instant dismissal. However, it has been established that the misconduct must be inconsistent with the fulfilment of the expressed or implied conditions of employment or the behaviour of such a nature as to expose the Company or its employees to criminal or civil suit or damages.
4. Misconduct has been defined to mean inter alia the following:
  1. theft
  2. assault
  3. dishonesty
  4. endangering the safety of others
  5. intoxication or under the influence of drugs
  6. insubordination
  7. negligence
  8. fraud
  9. wilful damage of Company property
  10. harassment (either sexually, physically or verbally) of employees.
5. In order to ensure legal compliance, the Human Resources Department will check the circumstances of the case and advise management accordingly.
6. An employee may be suspended on full pay whilst investigations are carried out to determine the cause of events. The decision to do so rests with the Human Resources Department. The employee will not be permitted back on site whilst investigations are carried out and finalised. The Human Resources Manager will keep the employee informed on the progress of investigations.
7. It should be noted that instant dismissal must occur as soon as practicable after the offence has been committed and detected. If the employee is permitted to continue working without being advised as to the offence it is possible that the offence has been condoned and instant dismissal cannot apply.
8. If as a result of careful examination of the evidence, it is decided by management that instant dismissal is warranted and the employee is a union member, then the actual process of dismissal will take place in the presence of the union delegate.
9. No dismissal may be entered into unless the approval of the Divisional Manager or Country Human Resources Manager and the Site Manager has been obtained.





**Procter & Gamble Manufacturing Pty Ltd****REDUNDANCY PACKAGE****SEVERANCE PAY**

A redundant employee will receive a benefit of four (4) weeks pay for each complete year of continuous service with a pro-rata calculation for completed months of service.

"Continuous Service" means the unbroken period of employment up to the point at which the employee is terminated and which would be recognised for Long Service Leave purposes.

**LEAVE**

- A. Employees will receive pro-rata Long Service Leave from commencement date.
- B. Employees will receive their current annual leave balance and pro-rata leave up to termination date.

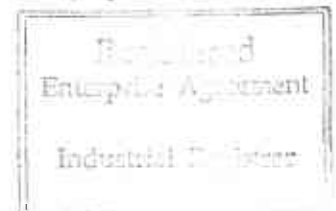
**NOTICE PERIOD**

The Company will give a minimum of four (4) weeks, or notice as required under the Workplace Relations Act 1996, notice of the actual ceasing date or payment in lieu if appropriate notice is not given.

Any employee who has received notice, and during the notice period finds other employment, will be permitted to accept such employment without loss of redundancy benefits.

**OTHER ISSUES**

- A. A Separation Certificate will be provided upon request.
- B. Each terminating employee will receive a Certificate of Service from the Company containing information on position held, length of service and current address.
- C. The Company will notify the Industrial Relations Commission where 15 or more employees are made redundant and assist in the locating of alternative employment with other employers.
- D. During the period of notice of termination an employee will be allowed up to one day's time off each week of notice for the purpose of seeking employment. Proof of attendance at interview may be required.
- E. Details of estimated redundancy payments and Superannuation entitlement will be made available to each terminating employee at least two weeks prior to an individual's final working day together with information on roll-over options.

**SELECTION FOR REDUNDANCY**

- A. The Company reserves the right to select employees to be retrenched based on the consideration of specific skills necessary for the ongoing needs of the operation.

Whilst management will be able to choose those employees being made redundant, they will be taking into account those employees nearing retirement and offering the opportunity to discuss individual situations with those employees who would like to be considered for redundancy.

- B. When an employee is a union member the Company will consult with the Union at all stages of the selection process in order to establish impartial treatment.

**OUTPLACEMENT SUPPORT**

The Company will assist employees to prepare to find new employment and offer financial advice to those employees who require assistance.

**PAYOUT LIMIT**

The total limit for a redundancy package is set at 104 weeks (26 years service) and equates to a maximum payout of 2 years pay.

The benefits under this agreement are not applicable to casual or temporary employees or to employees who resign or retire at normal retirement age.

Should any termination or redundancy occur 10 days prior to any Public Holiday then payment for such holiday will be included in the package.



# Procter & Gamble Manufacturing Pty Ltd

Annexure: 4

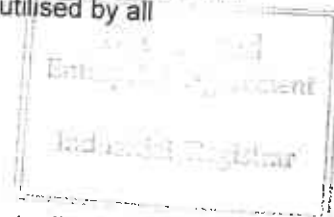
## FLEXIBLE LEAVE DAYS BANK (RDOs)

Prepared by:	Approved by:	Page: 1 of 2
Date:	Date:	Review Date:

### Preamble

The intention of the Flexible Leave Days Bank is to allow the company to maximise flexibility in weekly operations demands, to ensure continuity of supply and service, as well as allowing employees to take leave at a time which is more tailored to their personal needs, e.g. medical appointments etc.

The focus of this Agreement is to encourage and provide for total flexibility in the workplace. To this end, the Company is committed to providing a Flexible Leave Days Bank to be utilised by all employees covered under this Agreement.



### Principles of Flexible Leave Days Bank

The conditions of the flexible Leave Days Bank scheme are as follows:

- a) Leave under the flexible Leave Days Bank scheme is to be taken at a mutually agreed time between the employee and the Department Manager with minimum disruption to the operations (time taken will be at the rate of 7 hours 20 minutes see point (j) of this clause).
- b) An allocation of twelve (12) Flexible Leave Days will be offered per annum to each employee. One (1) Flexible Leave Day is accrued after a 20 day working cycle.
- c) These days will be allocated at the employee's normal rate of pay to which the employee would have been entitled had they been working on that day.
- d) While the principle of twelve (12) Flexible Leave Days will be uniform, the method of allocating these days will vary from department to department because of the differing operations and production demands and limitations of each operating unit.
- e) The Flexible Leave Days Bank will be administered by the Department Supervisor. All accrued leave will be recorded in the employees Flexible Leave Days Bank.
- f) It is the responsibility of the Department Supervisor to ensure that no more than five (5) Flexible Leave days are accumulated in the employees "Flexible Leave Days Bank".
- g) In the event that an employee has accumulated the maximum five (5) days in the Bank, that employee shall automatically be paid out any additional full day credits accrued at 7 hours 20 minutes at their ordinary time rate of pay.
- h) Where an employee ceases employment with the company, any credit days owing to the employee shall be paid out at the employee's ordinary time rate of pay.
- i) At any time, an employee may "cash-in" credit days, and will be paid at the ordinary rate of pay of seven hours, twenty minutes (7 hours, 20 minutes) per credit day.

# Procter & Gamble Manufacturing Pty Ltd

Annexure: 4

## FLEXIBLE LEAVE DAYS BANK (RDOs)

Prepared by:	Approved by:	Page: 2 of 2
Date:	Date:	Review Date:

This time is determined as follows:

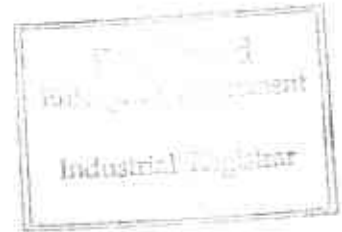
Current RDO Friday off  
 Thursday prior to RDO early finish  
 Forgone

Paid Hours  
 7 hours 10 minutes  
 10 minutes

---

7 hours 20 minutes

- i) In the case of an emergency, an employee who has no credits available in the bank may be permitted by mutual agreement with their manager to take up one (1) day of credit in advance. (NB This does not allow for the payment of cash in advance).



# Procter & Gamble Manufacturing Pty Ltd

Annexure: 5

## PROBATIONARY PERIOD

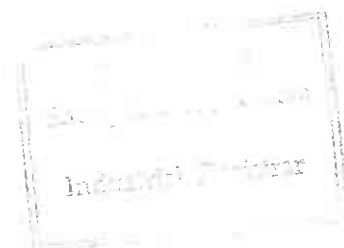
Prepared by:	Approved by:	Page: 1 of 6
Date:	Date:	Review Date:

### PURPOSE:

The first three months of employment is the probationary period for all new employees.

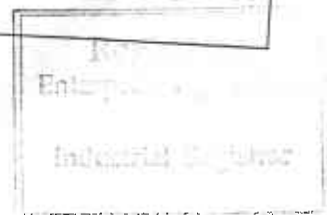
### PROCEDURE:

1. The Company may terminate a **probationary employee** with one week's notice who does not satisfactorily meet any one or more of the following standards:
  - a) Job Performance; quality and quantity of work, knowledge of job, general attitude/behaviour.
  - b) Conduct; co-operation with management and other employees, adherence to Company policies.
  - c) Attendance and Punctuality.
2. A probationary period may be extended when additional time is necessary to evaluate the ability of the probationary employee to meet the above outlined standards. (See Performance Counselling Policy)
  - a) Extensions will be made on a month-by-month basis, and should not extend beyond 6 months from the date of employment.
  - b) The employee must be informed of the extension in writing by the Human Resources Department.
3. New employees covered by the Enterprise Agreement will be required to meet the performance expectations of the Probationary Evaluation Guidelines (refer attached) as per the Agreement.



PROBATIONARY PERIOD

Prepared by:	Approved by:	Page: 2 of 6
Date:	Date:	Review Date:



PROBATIONARY EVALUATION GUIDELINES

INTRODUCTION

This form was designed by the Consultative Committee in line with the performance expectations of the Enterprise Agreement.

AIM

The aim of this form is to ensure that P & G employs people who meet both the Company's and employee's work performance expectations.

GUIDELINES

Completing the form:

1. This form should be initiated by the employee's immediate supervisor/team leader. It is recommended that the supervisor keep a record of when the probation period ends in his/her diary to ensure follow up is made.
2. The form should be completed monthly for the first 3 months by the employee's immediate supervisor/team leader and two peers that work with the employee who will be known as the "evaluators".
3. It will be the supervisor/team leader's responsibility to choose which peers to complete the form.
4. A rating of one to five with appropriate criteria has been selected to measure the performance level of the individual.
5. The evaluator should fill in the scores for each category and then total the scores. Total sum of the scores divided by the 30 performance factors gives the Overall Average. Eg: each performance factor is 5, therefore is 130 divided by 26 which equals 5.
6. The evaluator should then match the Overall Average with the Evaluation Criteria. Which is:
 

<u>Overall Average</u>	<u>Meets Probation Requirements</u>
3 or above	Yes
Less than 3	May need probation extended to meet Company expectations.
Score of 1	Continuation of employment will need to be reviewed.
7. Where the scores differ between evaluators it is the supervisor/team leader's responsibility to review each form and come up with a workable solution based on all the facts provided.
8. If the supervisor/team leader is unable to develop a workable solution he/she should refer the matter to the Consultative Committee.

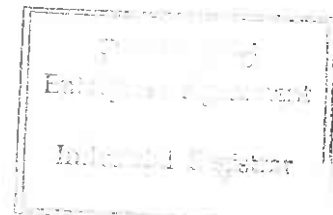
# Procter & Gamble Manufacturing Pty Ltd

Annexure: 5

## PROBATIONARY PERIOD

Prepared by:	Approved by:	Page: 3 of 6
Date:	Date:	Review Date:

9. After each evaluator completes the form, the group of 3 should meet to compare evaluations. However, it is the supervisor/team leader's responsibility to give the employee feedback on the evaluation and if necessary the course of action required.
10. Once the form is completed and no further follow-up is required the supervisor should send all evaluations to the Human Resources Department for filing in the employee's personnel file.



# Procter & Gamble Manufacturing Pty Ltd

Annexure: 5

## PROBATIONARY PERIOD

Prepared by:	Approved by:	Page: 4 of 6
Date:	Date:	Review Date:

### Procter & Gamble PROBATIONARY EVALUATION RECORD

#### PERMANENT EMPLOYEES

This form should be completed on a monthly basis, for 3 months from the commencement date of employment by the employee's immediate supervisor, and two peers that work with the employee.

EMPLOYEE..... POSITION.....

#### RATING GUIDE:

- 5 = Good Performance
- 4 = Acceptable Performance
- 3 = Adequate Performance After Instruction
- 2 = Adequate Performance With Constant Supervision
- 1 = Unacceptable Performance

#### PERFORMANCE FACTORS

#### RATING 1 - 5

- |   |   |
|---|---|
| <p>1 Appearance:<br/>Dress Appropriately</p> <p>Hygiene and grooming acceptable for work</p> <p>2 Punctuality/attendance<br/>Advises when late or absent</p> <p>Returns from breaks on time</p> <p>Attends work each day</p> <p>3 Interpersonal Behaviour<br/>Pleasant to co-workers</p> <p>Co-operates/interacts with other employees</p> <p>Accepts supervisory authority on tasks eg no arguments</p> <p>Acknowledges instructions and direction appropriately</p> <p>When asked begins tasks promptly</p> <p>Accepts on-going guidance and correction</p> <p>Once task is learned, works without supervision</p> <p>Asks for assistance when necessary</p> <p>Asks to borrow equipment etc in a polite manner</p> | <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> |
|---|---|





# Procter & Gamble Manufacturing Pty Ltd

Annexure: 5

## PROBATIONARY PERIOD

Prepared by:	Approved by:	Page: 5 of 6
Date:	Date:	Review Date:

- 4. **Quality of Work**  
 Accurately completes all documentation .....  
 Maintains compliance to Protocols/Procedures .....  
 Meets acceptable quality standards of work .....
  - 5. **Quantity of Work**  
 Acceptable number of tasks completed within time frame .....  
 Maintains and meets all deadlines .....
  - 6. **Judgement**  
 Considers all options in deciding upon correct course of Action .....  
 Makes sound decisions in most cases .....  
 Shows initiative when applicable eg: if machine stops .....
  - 7. **Safety/Hygiene**  
 Adheres to housekeeping policies .....  
 Works in a safe manner .....
- TOTAL SCORE .....
- OVERALL AVERAGE .....
8. **Employee's Comments**  
 .....  
 .....  
 .....



# Procter & Gamble Manufacturing Pty Ltd

## PROBATIONARY PERIOD

Prepared by:	Approved by:	Page: 6 of 6
Date:	Date:	Review Date:

### EVALUATION CRITERIA

- If the overall average is 3 or above then the employee has met the performance probationary requirements.
- If the overall average is less than 3 the evaluators will need to compare scores and ensure fairness and continuation of employment for this employee will need to be reviewed in accordance with the Probationary Policy.

Based on the "above outline" has the employee met the performance requirements for the probation period? Yes/No

If NO, please explain.....  
.....

Supervisor Signature..... Employee's Signature .....

Date..... Date.....

Upon completion please send this form to the Human Resources Dept. for filing on Employee's Personnel File

