

**REGISTER OF
ENTERPRISE AGREEMENTS**

ENTERPRISE AGREEMENT NO: EA04/134

TITLE: **R-Max NSW Certified Agreement 2003**

I.R.C. NO: IRC4/67

DATE APPROVED/COMMENCEMENT: 5 February 2004

TERM: 19 months

**NEW AGREEMENT OR
VARIATION:** Replaces EA02/133

GAZETTAL REFERENCE: 18 June 2004

DATE TERMINATED:

NUMBER OF PAGES: 11

COVERAGE/DESCRIPTION OF

EMPLOYEES: The Agreement applies to all employees employed by Huntsman Chemical Co Pty Ltd trading as R-Max located at 27 Chifley Street, Smithfield, NSW 2164 who fall within the coverage of the Rubber Workers (State) Award

PARTIES: Huntsman Chemical Company Australia Pty Limited trading as R-Max -&- the National Union of Workers, New South Wales Branch

RMAX NSW CERTIFIED AGREEMENT 2003

Clause No. Subject Matter

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Clause No. Subject Matter

1. Title

This Agreement shall be referred to as the RMAX NSW Certified Agreement 2003.

2. Arrangement

1. Title
2. Arrangement
3. Application of Agreement
4. Parties Bound
5. Date and Period of Operation
6. Relationship to Parent Award
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20. Not to be used as a Precedent
21. No Extra Claims
22. National Standards
23. Transmission of Business
24. Counselling/Warning Procedure
25. Sick Leave
26. Signatories

3. Application of Agreement

This Agreement shall apply throughout the State of NSW at the premises of Huntsman Chemical Company Australia Pty Limited (trading as RMAX) in respect of all employees who are engaged in any of the occupations, industries or callings specified in the Rubber Workers' (State) Award, with the exception of any new site bought by the Company during the life of the Agreement where that site has an agreement registered under *the Industrial Relations Act NSW 1996* or *Workplace Relations Act 1996* or any other legally binding Agreement.

4. Parties Bound

- (a) Huntsman Chemical Company Australia Pty Limited trading as RMAX, 27 Chifley Street, Smithfield, New South Wales.
- (b) All employees whether members of the National Union of Workers or not, engaged in any of the occupations, industries or callings specified in the awards listed in clause 3 above.
- (c) The National Union of Workers, NSW Branch.

5. Date and Period of Operation

This Agreement shall operate from the first pay period to commence on or after the date of certification by the Industrial Relations Commission of NSW and shall remain in force until 1 October 2005.

6. Relationship to Parent Award

This Agreement shall be read and interpreted wholly in conjunction with the Award listed in Clause 3 above provided that where there is any inconsistency, this Agreement shall take precedence to the extent of the inconsistency.

Existing over award payments and conditions of employment shall continue to apply as if they were a term of this Agreement except where the expressly stipulated terms of this Agreement provide otherwise. This Clause shall also apply to Truck Drivers and Clerks.

An employee commencing his or her employment with the employer after the date on which this Agreement comes into operation shall be employed in accordance with the terms of this Agreement.

Any new facilitative provisions, listed in the above awards and introduced as a result of the award simplification case, shall not be used during the life of this Agreement except by agreement between the company and the union party to this Agreement.

7. Single Bargaining Unit

A Single Bargaining Unit has been established and has been involved in negotiating this Agreement.

8. Redundancy Agreement

The parties have agreed to a Redundancy Agreement, which is set out in Attachment 2.

9. Annual Leave

- (a) No employee shall accumulate more than thirty-five (35) days annual leave.
- (b) An employee shall give the employer not less than two (2) weeks notice of their intention to take a period of annual leave.

10. Rostered Days Off

- (a) Employees are required to give the employer five (5) days notice of taking an RDO. If an RDO has not been requested by five working days before the end of the month, the employer shall allocate the RDO day to be taken during the next five working days.
- (b) There will be no accruing of RDO's.
- (c) No RDO will be paid out in lieu of being taken.
- (d) No RDO's are to be taken on either the first or last day working day of the month. Four RDO's will be taken on specified days to an agreed timetable

11. Fortnightly Pay

All employees will be paid on a single pay frequency of fortnightly pay based on 1 week in advance and 1 week in arrears.

12. Truck Washing

Employees engaged as truck drivers shall wash their trucks as and when required by the employer. The timing of the washing shall be at the discretion of the employer.

13. Key Performance Indicators

- (a) A performance related incentive payment shall be made available each month by the employer to permanent employees subject to the achievement of a range of key performance indicators as attached to this Agreement at Attachment 1.
- (b) The incentive payment shall be available monthly and shall be calculated using the following table:

Range of Points Achieved	Gross payment per Employee per month
270 – 320	\$150
220 – 269	\$120

- (c) Whilst the incentive will be calculated monthly it will be paid on a quarterly basis.
- (d) The incentive payment scheme shall apply to this agreement only, and will not automatically be included in future agreements between the parties.

14. Wage Increases

A 9% wage increase (excluding allowances, which shall remain fixed at current values) shall be paid to employees covered by this Agreement as follows:

- (a) a 4.5% wage increase shall be paid from the first full pay period following certification of this Agreement and backdated to the first pay period on or after October 1st 2003.
- (b) a further 4.5% wage increase shall be paid from the first full pay period to commence on or after 1 October 2004.

15. Avoidance of Industrial Disputes

The parties agree that there shall be strict adherence to the following procedures when resolving any industrial disputation or grievances.

These procedures will not restrict an employer or a duly authorised official of an employer's organisation or a duly authorised official of the Union making representations to each other.

- (a) The Union and the employer shall notify to each other in writing the names and/or titles of duly accredited job representatives. The accredited Union job representative will be the only person entitled to make representations on behalf of members of his/her Union employed by the employer and the nominated employer's representative will be responsible for dealing with matters raised by the Union job representative.
- (b) The accredited Union job representative and employer representative shall make himself or herself available for consultation as required under the procedures.
- (c) In the first instance, the accredited Union job representative shall discuss matters affecting the employees he/she represents with the supervisor of those employees.
- (d) If the matter is not resolved at this level, the accredited Union job representative should ask for it to be referred to the employer's representative nominated under paragraph (a) above, and the foreman or supervisor shall do so. The employer's representative shall arrange a conference to discuss the matter within 24 hours or such other period as is agreed with the accredited Union job representative.
- (e) If the matter is not resolved at the conference convened under paragraph (d) above, the accredited Union job representative shall advise the appropriate local official of the Union of the matter in issue. A conference on the matter will then be arranged, to be attended by such official or officials and the Union job representative concerned as the Union may decide, and by the designated employer's representative and such other representative of the employer including his/her association as the employer may decide.

- (f) If the matter has not been resolved when the procedures referred to above have been availed of, the employer and the Union should enter into consultation about it at a higher level, on the employer and the Union sides, as the parties consider appropriate.
- (g) At any stage in the procedures after consultation between the parties has taken place in accordance with the procedures, either party may ask for and be entitled to receive a response to their representations within a reasonable time. If there is undue delay on the part of the other party in responding to representations, the party complaining of the delay may, after giving notice of their intention to do so, take a matter to a higher level in the procedures on their side.
- (h) Without prejudice to either party, and except where a bona fide safety issue is involved, work shall continue in accordance with the award while matters in dispute between them are being negotiated in good faith. Where a bona fide safety issue is involved, the employer and the appropriate Safety Authority must be notified concurrently or at least a bona fide attempt made to notify that authority.
- (i) At any stage of the procedures, the parties may seek the assistance of a Conciliator, a member of the Industrial Relations Commission of NSW, or some mutually acceptable person.
- (j) In the event of a party failing to observe these procedures, the other party may take such steps as are open to him/her to resolve the matter.

16. Accreditation

All employees shall give full and committed support to the maintenance of ISO 9001 Accreditation.

17. Overtime

When allocating overtime work RMAX will give preference to permanent employees over contract casuals. This preference is conditional upon permanent employees being available when required and having the skills to perform the work in a safe and productive manner.

RMAX will make every effort to equitably share the overtime work amongst permanent employees. Again, this is conditional upon permanent employees being available when required and having the skills to perform the work in a safe and productive manner.

RMAX reserves the right not to allocate overtime work to employees who:

- (a) have a consistent record of failing to attend overtime shifts
- (b) who consistently fail to attend work either on the working day immediately preceding the overtime shift or the next working day following the overtime shift
- (c) who have a consistent record of refusing to work overtime when offered

18. Union Recognition and Membership

- (a) For the duration of this Agreement, RMAX recognises the National Union of Workers (NSW Branch) as being the Union that shall have exclusive representation of all employees in related classifications who are covered by this agreement. This exclusive representation will extend to all terms and conditions of employment, where those terms and conditions are subject to this Agreement.
- (b) It is the policy of RMAX that all its employees subject to this Agreement shall be given the opportunity to join the National Union of Workers (NSW Branch).
- (c) RMAX undertakes, upon authorisation, to deduct union membership dues, as levied by the National Union of Workers (NSW Branch) in accordance with its rules, from the pay of employees who are members of the National Union of Workers (NSW Branch) at the beginning of each month together with all the necessary information to enable reconciliation and crediting of subscriptions to members' accounts.

- (d) All new employees shall be advised of these matters and shall be introduced to the site NUW Delegates upon being accepted for employment.

19. Contract Work

During the life of this Agreement, it is not the intention of the company to contract out any jobs or functions currently being performed by NUW members, which would result in their loss of employment. However, should there be a compelling economic advantage or should competitive circumstances change, the company reserves the right to contract out work.

If this should occur, the company commits to giving the Union sufficient notice to allow appropriate consultation and in particular, develop strategies for the possible redeployment of displaced employees.

Casual and Agency employees shall be paid site rates of pay.

20. Not to be used as a Precedent

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

21. No Extra Claims

The Parties agree that they will not, for the duration of this Agreement pursue any extra wage claims, whether award or over-award and the employees will not seek any changes to conditions of employment.

22. 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 standard hours of work, sick leave or long service leave.

23. Transmission of Business

This Agreement shall apply to any successor, assignee or transferee of all or any of the work.

24. Counselling/Warning Procedure

The parties have agreed to the Rmax Disciplinary Procedure, which is set out in Attachment 3.

25. Sick Leave

This Agreement allows for a maximum of four single sick days without a Medical Certificate.

26. Signatories to the Agreement

Signed: _____ Date: 16 / 12 / 03

For and on behalf of Huntsman Chemical Company Australia Pty Limited, trading as RMAX

In the presence of _____ Date: 16 / 12 / 03

Signed: _____ Date: 15 / 12 / 03

For and on behalf of the National Union of Workers (NSW) Branch

In the presence of _____ Date: 15 / 12 / 03

ATTACHMENT 1

KPI	ACTUAL PER CALENDAR MONTH									
	RANGE	POINTS	RANGE	POINTS	RANGE	POINTS	RANGE	POINTS	RANGE	POINTS
EBIT	<100%	-10	100-104.9%	10	105-109.9%	20	110-115%	40	>115%	70
ON TIME – IN FULL	<96%	-10	96-96.9%	0	97-97.9%	10	98-99%	20	>99%	30
BLOCK MOULD YIELD	<113%	-10	113-113.9%	0	114-115.9%	10	116-117%	20	>117%	30
CUTTING YIELD	<75%	-10	75-77.9%	0	78-79.9%	10	80-85%	20	>85%	30
SHAPE MOULD YIELD	<114%	-10	114-115.9%	0	116-117.9%	10	118-120%	20	>120%	30
SALES	<95%	-10	95-98.9%	0	99-100.9%	10	101-105%	20	>105%	30
INJURIES(Medical Treatment & Lost Time)	<3	-40	3	-30	2	0	1	20	0	40
PAID SICK DAYS W/O DOCTOR CERTIFICATE	>7	-30	6-7	-20	4-5	0	2-3	20	<2	30
NO MISTAKES (CREDIT NOTES)	<97.5%	-10	97.5-97.9%	0	98-98.4%	10	98.5-99%	20	>99%	30
TOTAL POINTS		-140		-40		80		200		320

ATTACHMENT 2 – REDUNDANCY AGREEMENT

1. Scope of Agreement

This Agreement is part of the RMAX NSW Certified Agreement, 2003, between RMAX at 27 Chifley Street, Smithfield, and the National Union of Workers, NSW Branch.

2. Definitions

- 2.1 Notice: The period of time given to the employees in order to terminate employment.
- 2.2 Redundancy: Refers to a situation where the Company has decided that one or more jobs are no longer required due to market forces, economic circumstances, technological change or Company restructuring.
- 2.3 Retrenchment Pay: Payments made to an employee terminated due to Redundancy.

3. Notice

Employees will be entitled to four weeks notice of retrenchment.

In addition, employees over 45 years of age at the time of being given notice will be entitled to an additional week's notice.

Payment in lieu of notice shall be made if the appropriate notice period is not given.

4. Retrenchment Pay

Four weeks pay for each year of continuous service with a maximum payment of 52 weeks, with pro-rata payment for each completed month during the final year of service.

A payment in excess of 52 weeks will be made only under the following circumstance:

As at 1 October 1999 an employee who had an accrual greater than 52 weeks (based on the rate of 4 weeks per year of service) will have this accrual preserved, but will cease to accrue any further redundancy entitlements. The maximum amount that will be preserved, as at this date and payable will be 90 weeks, regardless of weeks accrued.

5. Annual Leave

Employees will be entitled to the payment of any outstanding Annual Leave in accordance with the Annual Leave Act. 17½% loading will be paid on all accrued annual leave.

6. Sick Leave Entitlement

Accrued sick leave up to 20 days will be paid out on redundancy.

7. Long Service Leave

Will be paid to employees with more than three years service, on a pro-rata basis.

8. Itemised Statement of Payment

Employees will be entitled to an itemised statement of payments on the day redundancy is effective. In addition, as soon as possible after the employee has been advised of their redundancy they will be provided with an estimate of their redundancy payment.

9. Certificate of Service

Employees will be entitled to a Certificate of Service on the day the redundancy is effective. This certificate will state the reason for termination, job classification and skills and length of service.

10. Superannuation

An employee who becomes redundant in accordance with this Agreement shall receive all Superannuation entitlements in accordance with the Superannuation Trust Deed to which the employee was a member and in accordance with *the Superannuation Guarantee Act*.

11. Time Off for Job Interviews

The Company will allow up to sixteen (16) hours off for employees, once notified of retrenchment, to attend job interviews. Provided that this period does not exceed four (4) hours on each occasion and that reasonable notice is given to the Company and proof of attendance of such interviews is provided.

12. Financial Advice

The Company will allow employees who take the redundancy package up to 4 hours paid leave to seek financial advice.

13. Employee Assistance

Retrenched employees will be provided by the Company with professional outplacement assistance and counselling in order to assist them in gaining suitable re-employment as soon as possible.

The option to undertake outplacement assistance is voluntary and will be at times suitable to the Company in order to maintain the Company's operations.

14. Re-Engagement

- (a) An employee who is made redundant and is subsequently re-employed by the Company within six (6) months of having been made redundant, shall maintain continuity of employment except for that period for which the employee was absent. The period of absence will not be included as part of any calculations.
- (b) Sub-clause 14(a) will not apply unless all monies paid to the said employee at the time of termination is repaid in full to the Company at the time of re-engagement.
- (c) A previously redundant employee who is engaged by the Company after six months from when he/she terminated shall not have continuity of service granted.

15. Selection of Employees

It is the aim of the Company and accepted by the Unions that the continued operation of the business is of primary concern. It is clear that the business must have the best possible work force to ensure it is viable and can offer continued employment opportunities.

The Company will call for volunteers by section or department.

After assessment of the numbers and classifications of those people who volunteer, the Company reserves the right to refuse voluntary redundancy where the skills or experience of the employee is necessary to maintain the Company's future commercial viability.

If there are insufficient volunteers and there is a need to retrench employees, the primary factor to be considered shall be the skills required to maintain the Company's future viability.



ATTACHMENT 3

Incorporating and Barnes Plastics

HUMAN RESOURCES

SUBJECT: DISCIPLINARY PROCEDURE
REVISION: 1
DATE: June 2001
REASON FOR REVISION: Initial Issue

1. Purpose

A disciplinary procedure will reinforce to employees the importance of a code of conduct and will provide the means by which employees whose conduct falls short of that required by the code, can be encouraged to improve.

2. Policy

The purpose of RMAX's disciplinary procedure is to ensure the safe and effective operation of the business and the fair treatment of individual employees. To ensure fair treatment, the following procedure should be followed.

3. Procedure

3.1 Informal Warnings

Minor breaches of company discipline, such as minor misconduct, failure to maintain job performance standards and poor timekeeping will result in a verbal warning given by the employee's immediate supervisor/manager. A note of this warning will be made in the employee's personnel file.

Where there is a more serious breach of company discipline or more serious misconduct, formal disciplinary action will be taken.

Formal disciplinary action may also be taken against an employee who has previously received an informal warning and who fails to improve and/or maintain improved conduct or job performance.

3.2 Formal Warnings

The procedure for formal warnings will be as follows:-

A disciplinary interview conducted by the immediate supervisor/manager will be held. The employee may be accompanied at the interview by another employee of the company or by the shop steward (if applicable).

At the interview the employee:

- a) will be informed of the nature of the complaint
- b) will be informed of any evidence that exists
- c) may present his/her explanation of the matter.

At the close of the interview, if it is decided that disciplinary action should be taken, the employee will be told of the decision to take that action and will be given a letter, which confirms the action. The verbal advice of the decision and the written confirmation will state:

Details of the misconduct, poor performance or other matter that occasioned the formal warning.

Details of the action considered necessary to remedy the situation, such as the precise standard of performance or behaviour expected and of any review period and/or extra training necessary.

That any further misconduct, or the expiration of the review period without significant and sustained improvement in performance or behaviour, will result in either a further disciplinary interview or confirmed final warning or dismissal. If a further final warning or disciplinary interview are necessary and remain unheeded, dismissal will result.

The final decision to dismiss can only be taken by the Senior Manager after consultation with Human Resource Services. Before taking the decision to dismiss, the Senior Manager will interview the employee concerned and will also be satisfied that there are no mitigating circumstances.

3.3 Suspension

At any stage of the disciplinary procedure the employee may be suspended with pay whilst the circumstances of a complaint are being investigated.

3.4 Appeals

At any stage of the disciplinary procedure the employee may appeal either orally or in writing against any disciplinary action taken. The appeal should be made to the Human Resources Manager and should be made within 48 hours of the disciplinary action being taken.

3.5 Dismissals

Please refer to the Company's procedure on Dismissals.