

REGISTER OF ENTERPRISE AGREEMENTS

ENTERPRISE AGREEMENT NO: EA05/229

TITLE: **Technicolor Enterprise Agreement 2005**

I.R.C. NO: IRC5/3285

DATE APPROVED/COMMENCEMENT: 8 July 2005 / 8 July 2005

TERM: 36

**NEW AGREEMENT OR
VARIATION:** New.

GAZETTAL REFERENCE: 9 September 2005

DATE TERMINATED:

NUMBER OF PAGES: 9

COVERAGE/DESCRIPTION OF

EMPLOYEES: The agreement applies to all employees employed by Technicolor Pty Ltd, located at 134, Euston Road, Alexandria, NSW 2015, who fall within the coverage of the Recorded Music and Visual Entertainment Reproduction (State) Award. (Employees not covered by the agreement are employed to perform clerical and managerial duties).

PARTIES: Technicolor Pty Ltd, The Recorded Media Industry Union of New South Wales

TECHNICOLOR ENTERPRISE AGREEMENT 2005

1.0. Title

This agreement shall be known as the Technicolor Enterprise Agreement 2005.

2.0 Arrangement

Clause No. Subject Matter

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3.0. Mission

To manufacture quality multimedia products, maintain profitability and provide unmatched value in service to our customers.

4.0. Vision

Technicolor is a high growth Australian multimedia replication company, regarded as a modern and exciting place to work. Technicolor people are proud to be creating a world-class enterprise and they share in its success.

5.0. Values

It is expected that Technicolor people will:

Respect the dignity of the individual

Show honesty and integrity at all times

Be trustworthy and trust others

Earn creditability by doing what is promised

Continuously improve skills and processes

6.0. Corporate Goals 2005 - 2008

Operating profit delivered each half year

Highest customer satisfaction in the business

Error free operation

Continuous improvement in all aspects of the business

7.0. Key Performance Indicators

Key Performance Indicators will be developed over time and as the business evolves. The most important KPI will be cost/unit in line with world's best practice. Company performance results will be made available to staff regularly.

8.0. Leadership

It is the express intention of Technicolor management to provide effective leadership by clearly defining a long term vision for company growth, establishing and reinforcing values, goals and key performance indicators through open, two-way communications.

Management's key responsibility is to create a continuously improving work environment so that all employees are encouraged to work to the maximum of their ability.

The company will make a concerted effort to constantly develop the human relation skills of all managers and to this end, will introduce upward appraisals so that employees have the right and opportunity to give confidential, constructive and positive feedback to individual managers.

9.0. People

The company's philosophy is that happy people will create a successful business. To this end, we have identified several key needs by way of an attitude survey.

Technicolor will conduct the attitude survey on an annual basis.

It is agreed that these issues will be addressed in the following way:

9.1 Pay

A pay rise on the actual rate of pay of 4% will be effective from July 1st 2005, 4% on July 1st 2006 and 4% on July 1st 2007 shall be paid.

Our philosophy is that through continuously improving the performance of the business and the satisfaction of our customers, we can maintain the living standards of our people.

9.2 Incentive Scheme

Permanent staff covered by this agreement can potentially receive a \$1000 bonus per year. The potential bonus will be payable pro-rata after reconciliation of each half yearly financial results and only payable to permanent staff with greater than three months service if the following criteria is achieved:

- A. Achievement of budgeted profit
- B. Achievement of External NCR objectives.

It is agreed that there will be a yearly reduction in the NCR objective of 10% from the previous year.

9.3 Conversion of Sick Leave to Annual Leave Incentive Scheme

Technicolor wants to encourage the proper use of all leave entitlements and wants to reduce unplanned absences.

As a result Technicolor, wishes to reward employees who reduce unplanned absences.

Technicolor will allow employees the ability to convert unused accumulated sick leave to annual leave subject to the following conditions:

The "date of conversion" is the date actually used

Sick leave accumulated cannot fall below fifteen (15) days unused at the date of conversion. This ensures adequate sick leave provision in the event of prolonged illness.

The maximum amount of days converted each calendar year is limited to five (5) days per year.

The converted sick leave can only be taken as an extension of annual leave where the annual leave taken is ten (10) days or more at any one time.

Converted sick leave will not accrue annual leave loading or shift penalties.

9.4 Leave

Outstanding Annual leave entitlements are to be taken as soon as possible or at a time as agreed by both parties, or at the discretion of management after at least 1 weeks notice.

9.5 Superannuation.

The parties to this agreement agree that the employer will direct all superannuation contributions made on behalf of the employees to the nominated employer fund (or STA, ARF for existing members).

9.6 Performance Management

The company will also strengthen its performance management systems in clearly establishing individual performance goals, training, regular performance feedback and coaching and more effective recognition systems.

Equally, the company will provide constructive feedback where performance is unsatisfactory while ensuring that natural justice is maintained.

9.7 Training

The parties recognise the importance of training as a key component in maintaining productivity. The company will continue to multi-skill staff in line with individual performance management outcomes and operational requirements.

10.0. Occupational Health and Safety

The company shall continue to manage OH&S requirements through the internal safety program. Facilitators for each department shall represent employees within that area and involve employees in the consultation process of OH&S matters. OH&S matters will be brought to the attention of the facilitators who will manage and escalate issues to management appropriately.

11.0. Duration

This agreement shall operate from the first pay period commencing on or after the date of approval of the said agreement under the provision of the *Industrial Relations Act 1996* (NSW) and shall remain in force for three (3) years from that date.

12.0. Coverage

To encourage maximum teamwork and achievement of corporate goals, all employees of the company, as described in the Classification Clause shall be covered so as to maximise the efforts of everyone working harmoniously.

All other conditions of employment are contained in the Recorded Music and Visual Entertainment Reproduction (State) Award, which this Agreement varies and applies to all employees of Technicolor 122 and 134 -138 Euston Road, Alexandria (NSW) and other sites the company may expand into or transfer to during the life of this agreement.

13.0. Union Recognition

- 13.1 Technicolor recognises the essential role of the Recorded Media Industry Union and its members play in the participative partnership in effecting organisational reform at Technicolor and the management of will support Union membership amongst the workforce.
- 13.2 The company is also mindful that employees cannot be offered different conditions of employment or be discriminated against in their employment by virtue of their membership of the Union.
- 13.3 A letter from the Secretary of the Recorded Media Industry Union and a membership application form shall be available to all employees.
- 13.4 Picnic Day

The agreed designated date for the annual picnic day for members of the union will be the first non public holiday following the Christmas Public holidays.

14.0. Relationship to Parent Award

The terms and conditions of this agreement shall be read and interpreted in conjunction with the Recorded Music and Visual Entertainment Reproduction (State) Award, provided that where there is any inconsistency, this agreement shall take precedence to the extent of the inconsistency.

15.0. Consultative Committee

To ensure ongoing management/staff communications a consultative committee including management representatives and staff representatives (including union delegates) will meet at agreed times to review general matters and issues. Individual grievances will need to be resolved via the Dispute Resolution process as outlined in

17.0. of This Agreement.

16.0. Classifications

16.1 Entry Level

A trainee process operator who is undertaking induction training which may include information on the enterprise, conditions of employment, introduction to supervisors and fellow employees, on the job training, Multiskilling, site layout, work practices and documentation procedures, quality control/assurance procedures and occupational health and safety. An employee at this level performs routine duties to his/her level of training.

In the course of exercising these duties an employee:

Exercises minimal judgement

Works under supervision or is undertaking structured training so as to enable him/her to perform higher duties

Applies basic numeracy and literacy skills (English)

General labouring, stores and cleaning duties

Hand packing

Operate machinery under direct supervision

16.2 Level 1 - Process Operators

An employee who has completed up to 3 months structured training so as to enable him/her to perform work within the scope of this level. Process Operators are expected to accept responsibility for casual and entry level employees in their care.

An employee at this level performs work above and beyond the skills of an employee at entry level and to the level of their training:

Works under direct supervision either individually or in a team environment

Understands and undertakes basic quality control/assurance procedures, including the ability to recognise basic quality deviations/faults

Understands and utilises statistical process control procedures

Indicative of the tasks which an employee at this level may perform are the following:

Repetition work associated with the production and distribution processes including work on automatic, semi-automatic or single purpose machines

Assembles components using basic written, spoken and/or diagrammatic instructions in an assembly environment

Uses selected hand tools

Cleaning

Maintain simple records

Assist in the provision of on the job training in conjunction with tradespeople and/or supervisors/trainees

Basic testing operations, may include visual and audio evaluation

Disc and VHS operations including duplicating, winding, loading and unloading of spools, cartridges, pancakes and packing of stock

Order assembly including picking and packing of stock

Loading and unloading trucks

Basic quality control procedures

General hand duties

16.3 Level 2 - Senior Process Operators

A Process Operator may qualify as a Senior Process Operator by training in at least four (4) processes, which are reviewed annually as defined by the ISO 9002 Procedures. Senior Process Operators are expected to accept responsibility for casual, entry level and process employees in their care.

An employee at this level performs work above and beyond the skills of an employee at Level 1 and to the level of their training:

Is responsible for the quality of their own work subject to routine supervision

Works under routine supervision either individually or in a team environment

Exercises discretion within their level of skills and training

Indicative of the tasks which an employee at this level may perform are the following:

Operates flexibly between assembly stations

Operates machinery and equipment requiring the exercise of skill and knowledge beyond that of an employee at Level 1 (including machines in the disc and VHS areas)

Machine setting, adjustment, loading and operation (including machines in the disc and VHS areas)

Has a knowledge of the employer's operation as it relates to production process

Receiving, despatch, distributing, sorting, checking, packing (other than repetitive packing in standard container or containers in which such goods are ordinarily sold), polishing, documenting and recording of goods, materials and components

Inventory and store control in the context of a production process and/or distribution process

Basic fault finding skills

Use of tools and equipment within the scope (basic non-trades) maintenance

Basic keyboard skills exercised in the context of the production and/or distribution process

Advanced disc and VHS quality control and inspection procedures involving electronic testing equipment

Ability to measure accurately with precision measuring instruments

Assists one or more tradespersons

Assists in the provision of on the job training in conjunction with tradespersons and/or supervisors/trainees

Works from production drawings, prints or plans

Basic screen printing of a non-trade nature associated with the production process

Basic electro-plating, including mother and stamper handling and processing and associated activities

Operation of mobile equipment including forklifts, overhead cranes and winch operation in accordance with statutory requirements

16.4 Leading Hand

A Leading Hand is appointed by the company to assist in the good order and work flow. Leading Hand will have completed all the training requirements of a Senior Process Operator.

Additional requirements:

Processing instructions and allocating the work flow to fellow team members

Controlling the standard of work and output set by management and other staff

Advise on shortages of labour or material or equipment failures and bring any deficiencies to the general attention of management

Provide training under the general control and direction of a Supervisor or management

Where a failure in training or behaviour occurs, the Team Leader shall bring the matter to the attention of the Supervisor and management staff for corrective action

Act as a Supervisor in the event of temporary absence of the Supervisor

Participate in performance measuring programs using the key performance indicators to measure waste and efficiency

Assist the Supervisor in all aspects of company, customer and product security within the limits of his/her training

Leading Hands must also be prepared to complete the following training sessions either in-house or with an accredited training agency:

Basic Supervision & Team Leadership

Occupational Health & Safety Awareness Training

Technicolor undertakes to cover the cost of all training sessions during ordinary working hours.

16.5 Transitional Arrangement

It is recognised by the parties to this agreement that employees who formerly worked for Pacific Mirror Image who are paid at a level above Level 3 shall continue to receive current rate of pay until such time as the increases payable in this agreement. At which time, those employees shall gain a full or part increase which will give the same payment as other employees in their classification band, be it Senior Process or Leading Hand.

17.0. Dispute Resolution Procedures

The parties to this agreement shall observe the following procedure:

Employee(s) with a grievance shall seek resolution with their Supervisor. If they cannot resolve the problem, the matter shall be raised with their Department Manager.

If no solution can be found, the employee(s) and the Union Delegate (if requested by the employee(s)), should discuss the matter with the Operations Manager.

If the matter is unresolved, the employee(s) may elect to refer the matter to the Secretary of the Union (or his/her nominee), who shall meet with the CEO and endeavour to resolve the grievance.

If the matter is unable to be resolved following the meeting between the CEO and the Union Secretary, either can seek to have the grievance referred to the NSW Industrial Relations Committee for resolution in accordance with the *Industrial Relations Act 1996* (NSW).

Until the grievance is resolved, work will continue in accordance with the predispute conditions subject only to bona-fide safety issues where work shall be deferred until the grievance is resolved.

The parties shall co-operate to ensure that these procedures are carried out expeditiously.

At all times, work shall continue and consideration of the needs of the enterprise will remain a priority.

18.0. No Disadvantage Clause

No employee will suffer a reduction in earnings, hours of work or any other conditions of employment arising from the making of this agreement.

19.0. Redundancy

19.1 Technicolor does not envisage redundancies during the life of this agreement; however, there may be circumstances beyond its control, which necessitate redundancies taking place.

19.2 Where no reasonable alternative course of action is available, Technicolor shall pay severance payments in accordance with the severance scale in either 19.2(a) or 19.2(b) then 19.2(c).

(a) If an employee is under 45 years of age, the Company shall pay in accordance with the following scale:

Under 45 Years of Age	Years of Service Age Entitlement
Less than 1 year	Nil
1 year and less than 2 years	4 weeks
2 years and less than 3 years	7 weeks
3 years and less than 4 years	10 weeks
4 years and less than 5 years	12 weeks
5 years and less than 6 years	14 weeks
6 years and less than 7 years	16 weeks

OR:

(b) Where an employee is 45 years old or over, the entitlement shall be in accordance with the following scale:

Years of Service & Over	45 Years of Age Age Entitlement
Less than 1 year	Nil
1 year and less than 2 years	5 weeks
2 years and less than 3 years	8.75 weeks
3 years and less than 4 years	12.5 weeks
4 years and less than 5 years	15 weeks
5 years and less than 6 years	17.5 weeks
6 years and less than 7 years	20 weeks

THEN:

(c) Two weeks per year of service, with the total of subclause (a) plus (c) or subclause (b) plus (c) adding up to a maximum of 52 weeks.

20.0. No Extra Claims

No further wage or condition increases will be claimed during the life of this agreement, except where consistent with the State Wage Fixing Principles.

Nothing in the No Extra Claims Clause undertaking will prejudice the rights of employee to salary increases based on demonstrated skill and performance.

_____	24/06/05
James Day Date Secretary The Recorded Media Industry Union of NSW	Date
_____	24/06/05
Brian McCann Operations Manager Technicolor Pty Ltd	Date

ANNEXURE A

Rates of Pay per week (38 hour week)

Date	Entry Level	Grade 1 Process Operator	% Increase	Grade 2 Snr. Process Operator	% Increase	Leading Hand	% Increase
24 June 05	512.14	569.98		598.61		665.10	
1 July 05	531.44	592.78	4%	622.55	4%	691.70	4%
1 July 06	552.69	616.50	4%	647.46	4%	719.37	4%
1 July 07	574.80	641.16	4%	673.36	4%	748.15	4%