

**REGISTER OF  
ENTERPRISE AGREEMENTS**

**ENTERPRISE AGREEMENT NO: EA00/128**

**TITLE: Parke Davis Enterprise Development Agreement 2000-2001**

**I.R.C. NO: 00/1777**

**DATE APPROVED/COMMENCEMENT: 26 April 2000**

**TERM: 10 August 2001**

**NEW AGREEMENT OR  
VARIATION: New - Replaces EA99-5**

**GAZETTAL REFERENCE:**

**DATE TERMINATED:**

**NUMBER OF PAGES: 16**

**COVERAGE/DESCRIPTION OF**

**EMPLOYEES:** Applies to employees engaged pursuant to the Drug Factories (State) Award, Metal and Engineering Industry & Storemen and Packers, Wholesale Drug Stores Consolidated Awards and who are located at the Company's Manufacturing Operations situated at Caringbah

**PARTIES:** National Union of Workers, New South Wales Branch -&- Parke Davis Pty Limited, Shop, Distributive and Allied Employees' Association, New South Wales, The Australian Workers' Union, New South Wales



**PARKE DAVIS ENTERPRISE DEVELOPMENT AGREEMENT:**  
**2000 – 2001**

**1. INTRODUCTION**

This agreement has been negotiated through a single bargaining unit, comprising the three unions identified in 2.1 Parties to the Agreement, and representatives of teams engaged in the Company's Manufacturing Operations plant at Caringbah.

This Agreement forms part of a process of continuous improvement and ongoing consultation to improve the efficiency, flexibility and effectiveness of work arrangements in order to enhance the competitive position of the Company and enhance the job satisfaction of employees. The commitments and principles contained in this agreement will provide a facilitative framework within which employees can jointly develop arrangements for their mutual benefit.

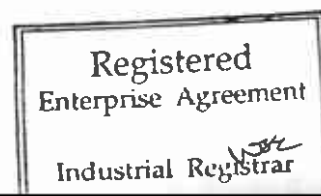
Furthermore, it is intended that parties to this agreement will cooperate to implement mutually beneficial proposals developed by teams within this framework.

The proposed increase to wage rates, contained in clause 9, Wage Rates Increase, will be subject to application of the arrangements and principles contained in this agreement. Payment of the proposed increases will be subject to approval by the Industrial Relations Commission of New South Wales (the Commission) that this agreement satisfies The Principles of the State Wage Case.

**2. FORMAL MATTERS**

**2.1 Parties to the Agreement**

This Enterprise Development Agreement (this agreement) was made <sup>20th</sup> April 2000 between Parke Davis Pty Ltd (the Company), The Australian Workers' Union New South Wales (the AWU); the National Union of Workers New South Wales Branch (the NUW); and the Shop, Distributive & Allied Employees' Association New South Wales (the SDA).



## 2.2 Application of Agreement

This agreement is to be read in conjunction with Attachment 1, and the following awards;

- (i) Drug Factories (State) Award
- (ii) Metal and Engineering Industry (New South Wales) Award
- (iii) Storemen and Packers, Wholesale Drug Stores (State) Consolidated Award

The terms of this agreement shall prevail over the terms of these awards to the extent of any inconsistencies.

## 2.3 Scope and Persons Bound

This agreement applies only to the Company's Manufacturing Operations plant situated at Caringbah, and employees of the Company engaged at this plant under the classifications set out in the relevant awards, set out in Clause 2.2 above.

## 2.4 Period of Operation

This agreement will take effect 10 August 2000 for a period of 12 months. There will be no further adjustments of wages or other conditions of employment during this period other than as provided in clause 5, Gradings Review and clause 11, Leave Reserved of this agreement.

## 3. SUCCESS OF TEAMS

Teams are an important strategic initiative for Parke Davis. Started in 1997, it is recognised that this is a long-term project needing support from all parties involved to succeed. Feedback on progress at individual and team level will be sought at regular intervals.

As our business and customer needs change, we may need to change elements of the current team structure. However, the fundamental aim remains to provide an environment that fosters involvement and commitment.



To date, teams have been restricted to the Rack-to-Rack teams, but a group in the Warehouse has begun to meet to discuss improvement projects and gain support and feedback on these ideas. We wish to continue this venture in this area, as it is consistent with our approach elsewhere.

### **3.1 KPIs**

Each team will establish agreed KPIs (including quality, safety and output) to be reviewed and communicated on a monthly basis.

Additional specific goals should be set and agreed at the beginning of each calendar year in line with the business plan.

Teams should establish a code of conduct, detailing how individuals will treat each other, and how the teams will interact with their customers and other teams.

Teams should have regular meetings to discuss their KPIs, projects and other important issues.

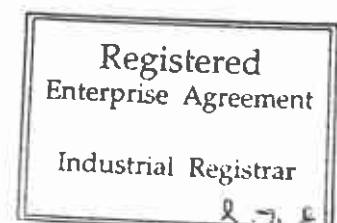
### **3.2 Training, Development and Multi-skilling**

For teams to function efficiently and effectively, a range of skills are needed and individuals should be given opportunity to multi-skill within teams, and in the case of new employees joining the organisation, multi-skilling is a condition of employment.

As well as training in functional job skills, we need to provide development of essential interaction and communication skills and problem solving techniques. This will assist teams in resolving personal differences and support the Code of Conduct.

Individuals may complete a Personal Development Plan (PDP) every 12 months, identifying agreed development and skill needs. Responsibility for meeting these needs rests jointly with the individual and his/her supervisor.

Training and development are important activities, however there may be circumstances where plans need to be changed or delayed due to pressing business needs.



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### 3.3 Two-way Familiarisation

Establish a program for job familiarisation and understanding throughout the plant. This program will be used as part of our approach to problem solving and will facilitate understanding and communication, building a better relationship between individuals and departments. It will be voluntary and include an optional element of 'hands-on' work. Also it would be subject to the company's responsibility to provide a safe and healthy working environment and the need to ensure product quality.

The duration of any job familiarisation will be limited to a maximum of two working days in any one area and it is understood that familiarisation will not provide full training to enable individuals to achieve competence in the role. A record of participants, including the areas in which they have worked as part of this program, will be maintained. The program is a genuine approach to resolving problems and improving understanding; it is not intended to be used to provide alternative labour

## 4. CUSTOMER SERVICE / COG'S REDUCTION

### 4.1 Introduction

Maintaining competitiveness as a strategic supplier within Warner Lambert is essential as WL moves towards global sourcing. The ability to change quickly to suit internal and external customer requirements and concurrently maintain a competitive cost of goods structure is extremely important.

### 4.2 Customer Service

Customer Service KPIs will be established reviewed and communicated regularly within each team. KPIs are designed to be a measure of team performance and are not to be used as a means of penalising individuals.

Teams should respond to, and support changing customer requirements (both internal and external) in a manner that reflects the requirements of the customer. Examples are the commitment to meeting the needs of month end production/delivery requirements or tender/export supply contracts.

Commitment to improve customer service will be achieved through

- better planning, organising and communication both within teams and between teams and departments (eg purchasing/warehouse, planning/production); and

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- Better understanding of business processes eg warehouse knowledge of production system and marketing requirements.

#### **4.3 Cost of Goods**

Commitment to involvement in continuous improvement groups, projects (eg raw material changes, packaging changes) focused on savings. Cost improvements will be measured and recorded as a team KPI.

Commitment to participate in and support projects and activities that can significantly improve cost of goods (eg modernised plant)

Commitment to reducing reworks by eliminating errors and increasing "right first time" through training and awareness of processes and responsibility for actions. This would form part of a company wide program.

### **5. GRADINGS REVIEW**

A working party should be developed as soon as possible to make recommendations for the ongoing work of the Grading Review and Gradings Appeals Groups.

One of the basic features of the grading systems is that they should remain flexible and should be able to change with the needs of the organisation and the people involved. To this extent ongoing discussion and agreement will take place, ie the systems are not "set in concrete." We recognise that the three systems in place have some differing fundamentals, which need to be ironed out. We believe that throughout the structures, people need to be treated equally. This would apply across the three grading systems. We recognise that due to the differing size of the three groups some ongoing differences may be required.

The Gradings Review Group should be held accountable for the ongoing development and flexibility of the three grading systems. They should communicate openly to all constituents of the three grading systems on the work and progress made. The purpose of the group and its members should be displayed in a prominent position.

The basic philosophy of the grading systems should be that the systems should be mutually beneficial. The individuals should be able to develop, to learn a variety of jobs and to earn reward for adding more value. The company needs to be better off by virtue of flexibility and higher skill levels.

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Any review of the grading systems will be cost neutral and will not a mechanism for unwarranted pay rises. The assessment and regrading decisions in all areas must take account of competence demonstrated over a period of time, not just a one off demonstration. The Gratings Review Group should determine suitable criteria for the appropriate period of time.

## **6. ALTERNATIVE HOURS OF WORK**

Our business will inevitably undergo changes during the term of this Agreement. Global rationalisation and harmonisation presents opportunities and challenges for manufacturing. In order to remain open in the medium to longer term we must obtain substantial additional volume to cover the additional overhead costs resulting from the Plant Modernisation Program. To do this we must compete with other Warner-Lambert affiliates to retain existing volume and win new customers by securing new products through competitive COGs and customer service: that is, demand or price considerations may lead to loss of sales and production of some of our existing products.

It is likely that some lines, teams or departments may need to consider alternative working hours to match our production capacity to the market demand. As our teams continue to develop there is a need to provide a framework of basic principles applying to hours of work. This framework would enable teams to develop appropriate arrangements to benefit themselves and the business.

It is understood that changes to working hours have great significance to individuals and their family/social lives. Any changes will be made only after full consultation and agreement with the team or department and every effort made to accommodate individual preferences.

Any proposal for 12-hour shifts would require consultation and agreement in writing with affected employees and the appropriate union(s). The parties would be guided by the occupational health and safety provisions of the "ACTU Code of Conduct on Twelve Hour Shift Work".

### **6.1 Span of Hours**

Day work from 6:00am to 6:00pm, Monday to Friday

Afternoon shift finishes after 6:00pm but not later than midnight

Night shift finishes after midnight but not later than 8:00am.



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If the majority of employees in a section or team agree to a work cycle involving more than eight ordinary hours on any day an employee who cannot work as such, because of personal circumstances, will not be compelled to do so. The team would make reasonable efforts to accommodate the employee; however, if a reasonable solution is not possible that employee may be transferred to another section or team.

Different arrangements may apply to various sections or teams to meet the needs of the section or team and the needs of the business. A full range of options will be considered.

## **7. GRIEVANCE SETTLEMENT PROCEDURE**

**7.1** Continuing good employee relations is recognised by the parties as integral to joint prosperity and therefore the mechanism to minimise conflict is essential. The aim of this procedure is to ensure that, wherever possible, grievances are resolved promptly and in an atmosphere of mutual trust and co-operation.

**7.2** Depending on the nature or complexity of the issue involved, the parties agree that the following graduated procedure, if carefully followed, is the most desirable and effective way of resolving grievances:

- Discussions between the employee(s) concerned and the immediate supervisor and the relevant union delegate when requested.
- Discussions involving the employee(s), the union delegate and more senior management.
- Discussions involving the relevant union official and appropriate senior management.
- Referral to the Industrial Relations Commission of New South Wales.

Opportunities within these stages will exist for either of the parties to request, without prejudice, acceleration of the procedure.

**7.3** There will be a commitment by the parties to achieve adherence to the registered procedures. This will be facilitated by the earliest possible advice by one party to the other.





to the other of any issue or problems that may give rise to a grievance or dispute.

7.4 Throughout all stages of the procedure all relevant facts shall be clearly identified and recorded.

7.5 Reasonable time limits will be placed on the completion of discussions throughout the procedure.

7.6 During the steps outlined in subclause 7.2 all work will proceed normally and the consideration of the enterprise will remain a priority.

## **8. PARKE DAVIS ENTERPRISE AWARD**

As a result of an agreement reached between the parties in 1996 the Parke Davis Enterprise Award was made by Cahill VP in Matter No. IRC 1798 of 1996. Pursuant to section 19 of the Industrial Relations Act 1996, the Industrial Relations Commission of New South Wales gave notice of an award review in matter No. IRC 5817 of 1999. As a result the parties agreed to incorporate the relevant provisions of that Award into this Agreement as contained in Attachment 1 to this Agreement.

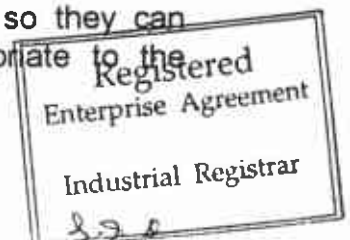
## **9. WAGE RATES INCREASE**

Wage rates paid by way of the Parke Davis Enterprise Agreement: 1998 - 2000 will be increased by 4.0 percent, effective from 10 August 2000.

## **10. ENTERPRISE DEVELOPMENT PROCESS**

The parties have committed to an approach to develop the enterprise to the mutual benefit of all stakeholders, as part of a culture of continuous improvement, based on the following principles:

- ◆ Integrate the enterprise agreement with the overall strategic direction of the organisation
- ◆ Provide flexibility to respond to changes in the environment to meet the requirements of customers
- ◆ Focus on the areas for longer term development of the enterprise and the people
- ◆ Move towards an environment of shared objectives and shared rewards
- ◆ Replace detailed prescriptive terms and conditions of employment to statements of principle and intent
- ◆ Investment in employees' understanding and development so they can contribute to and support an agreement which is appropriate to the business.



The details of the process will evolve during the term of this agreement. A fundamental element in this process will be continuous improvement teams that will work with management to develop recommendations for improvement in the workplace.

#### **11. LEAVE RESERVED**


The single bargaining unit of unions may claim to have a further wage increase during the term of this agreement if the introduction of the Goods and Services Tax (GST) directly results in the All Groups CPI (weighted average of eight capital cities) rising by more than 4.0% between the December quarters 1999 and 2000. Such increase would be limited to the amount by which the CPI exceeded 4.0%.

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**Signed for and on behalf of Parke Davis Pty Ltd**

  
\_\_\_\_\_  
David Cornish

  
\_\_\_\_\_  
Paul Cotterill

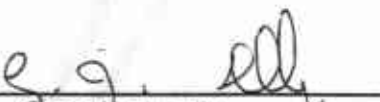
**Signed for and on behalf of the Australian Workers' Union New South Wales**

  
\_\_\_\_\_  
Russ Collison

**Signed for and on behalf of the National Union of Workers, New South Wales Branch**

  
\_\_\_\_\_  
Frank Belan

**Signed for and on behalf of Shop, Distributive and Allied Employees' Association New South Wales**

  
\_\_\_\_\_  
Greg Donnelly



## ATTACHMENT 1

The provisions contained in this attachment were agreed between the parties in 1996 and are included in this Agreement by way of clause 8, Parke Davis Enterprise Award.

### 1. Processes to be run continuously where required or in ways more suited to the process

- 1.1 In context of continuous operation no processes will stop for the traditional toilet breaks. Operators needing the toilet facilities can do so as required but the line will continue to run. The right to take a 5 minute break (3 per shift) shall cease with this consent award.

Employees employed by the Company on the date this consent award is made, who work on the Finishing Floor will be entitled to an additional five minutes for their morning tea (resulting in a total of 20 minutes, workplace to workplace) whilst they continue to work on the Finishing Floor. Employees employed after this date will be entitled to the standard morning tea break of 15 minutes, workplace to workplace.

- 1.2 Meal breaks will be staggered and co-ordinated by the team ie, the process continues to run.
- 1.3 Acknowledging that a more significant afternoon shift presence will be needed in the future (> double current volumes), and in addition some night shift presence the following method will be used to select employees to transfer to shift work:

- the Company will identify the operational requirements (including the skills and number of people) for the appropriate shift;
- the work team will make a recommendation as to how to meet the operation requirements;
- whenever practicable the Company will accept the recommendation; and
- the Company will make all reasonable efforts to accommodate the circumstances of individuals who do not wish to transfer to shift work.

Permanent allocation to shift may not be necessary, however it will be at least long enough to enable initial start up and training of new operators hired for the shift.

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It is expected that in this scenario day shift positions would first be offered amongst the employees on the afternoon and night shift before recruiting outside the business. Skill requirements would however, be taken into consideration.

1.4 Training programs will need to address team needs and skill shortfalls identified by the teams in relation to continuous running requirements.

1.5 Parties acknowledge that the current applicable awards provide for operational flexibility; (eg, spread of hours, transfer between departments, etc) and the unions recognise the Company's right to implement changes in accordance with the award conditions. Examples include the following:

- In the event of a need, an operator can be moved within the factory, eg Solids to Liquids, Make Up to Packaging etc, giving due regard to that person's grading, ability and skill level to suit the task.
- In the event of the majority of a team wishing to trial alternative working arrangements and having met the award criteria and gained the Company's acceptance then the Company would firstly seek alternative areas for those not wanting to be part of the trial or secondly direct them with appropriate notice to work under the new trial arrangement.

1.6 In order to keep processes running continuously a handover is required at the start and end of each shift. Employees should therefore be at the site of work in uniform at the start of the shift.

Two current barriers to the handover exist today, ie washup time and afternoon teas deferred to the end of shift for an earlier finish than would otherwise have been the case.

1.6.1 All afternoon tea breaks (15 minutes workplace to workplace) will move back to the time of an afternoon tea but will be staggered to meet operational needs such that the process can continue to run.

1.6.2 All wash up times will become 5 minutes, at the end of each day/shift.



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Based on current day work hours an example of the Day, Afternoon and Night shifts would then have 5 minute overlaps to provide handovers as follows:

Day	7.30am	-	3.55pm
Afternoon	3.50pm	-	11.45pm
Night	11.40pm	-	7.35am

The Company acknowledges that a number of jobs require the employee to clean thoroughly after the job is completed, either during or at the end of the shift. This right is in addition to the 5 minutes wash up time at the end of each shift and will include jobs such as dust extraction, cooling towers, boiler house, etc or any other job which impacts on GMP requirements. When such additional cleaning is necessary near the end of a shift, the employee will ensure he or she is back at the work area to complete the handover to the incoming shift.

**2. Teams involvement will increase gradually until rack-to-rack operations are achieved**

- 2.1 On the job training of other employees (where capable ... common sense applied) will be accepted as part of normal duties for all employees.
- 2.2 Production teams will be arranged to include a specialist maintenance tradesperson as part of the team. It is envisaged that some current Maintenance personnel will be assigned to areas on a rotating basis and liaise with team leaders; although this rotation would not be of such a frequency that team rapport does not develop. The role would be designed so that maintenance persons would have responsibility for all ongoing maintenance issues affecting the plant area. This would include:
- Advising the team and its leader of any technical necessities the line may have;
  - Setting up/modifying planned maintenance tasks and schedule;
  - Carrying out planned maintenance tasks including major overhauls (where appropriate);
  - Recording and reporting using planned maintenance system;
  - Minor modifications/fine tuning;



- Specialist advice for operators and management staff;
- Training of operators on machine operation and changeover, tooling care and good practice.

Day-to-day reporting would be through the team leader to Production management. There will be a strong technical link to Maintenance management and support staff, and to Engineering for technical help, design issues and major problems.

In terms of the requirement to do Production work, the intention is that, as now, operators carry out all changeover and operational work: exceptions are complex machinery, where mechanical expertise is required for changeovers (eg, IMA's). Production work may be required to complete packaging, etc in emergency situations for short periods of time; not on repeated frequent occasions.

Training will be provided in all areas to provide Maintenance employees with the necessary skills and competencies to discharge duties, referred to in this section.

### 3. Flexible Work Arrangements

- 3.1 Employees may be utilised in both Production and Warehouse functions, subject to this clause, in the following circumstances:
- unforeseen work demands which are beyond the capacity of the employees in the area concerned in the time available;
  - unforeseen absences of employees which may need to be covered; and
  - unique or emergency circumstances.
- 3.2 The Distribution Manager and the relevant Production Manager, or their nominee, will consult and agree with the union (NUW and SDA) delegates prior to movement of employees under the provisions of this arrangement. Common sense will be applied in terms of the operational needs of the business.
- 3.3 Employees engaged by the Company before November 1994, will have the option to accept or decline an offer to work under the terms of this arrangement. Employees engaged from November 1994, would be utilised.



- 3.4 Employees agree to undertake the necessary training to enable them to perform the broader job functions provided by this arrangement.

#### 4. Warehouse/Production Issues

- 4.1 Selected Warehouse operators (packaging and finished goods) will be required to liaise strongly with Production operators and their team requirements. Thus, these Warehouse operators will, by virtue of this, be part of the operations team although they may well spend much of their time performing other warehouse tasks. They will not be expected to spend time on either the feed end or the packaging end of the Production line as Production operators. The exception to this last point would be "flexible operators". This exception is addressed as a separate point [see point 2.2].
- 4.2 Picking of components for a batch which (currently) requires specific Warehouse machinery, eg double deep fork shall be performed by Warehouse operators, including flexible operators if competent. Components will be therefore taken by these Warehouse operators to a point in the production process such that no double handling shall occur. (Accepting that GMP and uniforms will have some bearing on that point and that the new modernised factory layout may facilitate this point).
- 4.3 The final packaged product from the Production operation team (Packaging Floor) will be taken by a Production operator to the entry point of the new Finished Goods Warehouse, ie the receiving racks for the turret truck. Whilst it is envisaged that the most likely form of transport for this task is a BT it will also be acceptable for a Production operator to use a fork lift truck for this task.
- 4.4 The receiving of bulk packaging, etc in the new factory layout may take place at a new rear loading/unloading dock. The Warehouse operators would perform this task and place the materials on the second floor by fork lift truck.
- 4.5 In the event of production which is to be immediately containerised the Production operator who has picked up the pallet at the end of the line, will place it directly in the container rather than the Warehouse entry racks. Appropriate lifting equipment (including a fork lift truck) may be used for this task. Loading of containers for New Zealand will remain the responsibility of Warehouse operators.
- 4.6 It is likely that an AGV will, at some stage be used for the transportation of items from one area to another. In this instance a Warehouse operator would likely put items on that AGV in the



*J. J. S.*



Warehouse and a Production operator would take them off at the Production area.

5. It is agreed that all issues of on-going continuous improvement, other than those which involve major technological advancement which may justify immediate consideration, are covered by this consent award. Additional skill issues considered to be of significance should be addressed by the grading system.
6. **Redundancy**
- 6.1 If an employee's job ceases to exist the company will make every attempt to make alternative employment available for which the person is reasonably suited by education, training or experience.
- 6.2 Notice period: As much as is practical with a minimum of:
- four weeks for employees under 45 years of age;
  - five weeks for employees 45 or more years of age.
- 6.3 Severance payment: Four weeks, subject to twelve months continuous service. Components include shift penalties and allowances, and superannuation contributions made by the company.
- 6.4 Service payment: (subject to twelve months continuous service):
- four weeks per year of service for employees under 45 years of age;
  - five weeks per year of service for employees 45 years or more years of age;
  - pro-rata for each completed month;
  - components include shift penalties and allowances.
- 6.5 Selection Guidelines: Primarily based on the need to retain required knowledge, skills experience within the business, with due regard for the length of service of the employees involved. Voluntary retrenchments may be invited by the company from employees working in the same or related areas, but will only be accepted if equivalent skill/knowledge retention is assured.
- 6.6 Long service leave: Pro-rata on completed months of service subject to twelve months continuous service.
- 6.7 Annual leave: Annual leave loading paid on pro-rata leave.
- 6.8 Sick leave: Untaken sick leave up to a maximum of forty days.
- 6.9 Support services: Outplacement and financial workshops to be agreed between the parties at the time.

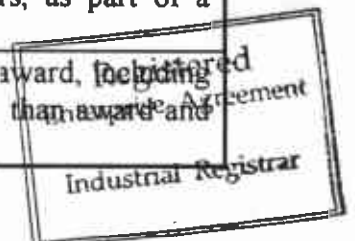


**Part 7 - Enterprise Agreements**  
**Rule 41 of the Industrial Relations Act 1996**  
**Affidavit - Comparison and Compliance Statement**

On 19 April 2000, at 32 Cawarra Road Caringbah, NSW 2229, I, Paul Cotterill, say on oath:

- (a) The awards over which the agreement will prevail if approved are:
- *Parke Davis Enterprise Award*
  - *Drug Factories (State) Award*
  - *Drug Factories Redundancy (State) Award*
  - *Metal & Engineering Industry (New South Wales) Award*
  - *Metal & Engineering Industry Redundancy (State) Award*
  - *Storemen and Packers, Wholesale Drug Stores (State) Award*
- and the following agreement will be rescinded and replaced (at the end of its term) by the agreement if approved:
- *Parke Davis Enterprise Agreement: 1998 - 2000.*
- (b) (i) The agreement complies with relevant statutory requirements, including the *Anti-Discrimination Act 1977* as the agreement does not discriminate in terms of race, sex, marital status, disability, homosexuality, age, HIV/AIDS status or transgender identity.
- (ii) The agreement does not, on balance, provide a net detriment to employees covered by the agreement when compared with the aggregate package of conditions of employment which would otherwise apply under applicable awards, as is demonstrated in the following table:

Training Development and Multi-Skilling	The importance of training is highlighted in the Agreement. Employees will benefit from this increased attention to skills development.
Alternative Hours of Work	Employees, subject to consultation and written consent, may work 12-hour shifts. This provision is allowed for in the comparable awards.
Span of Hours and Shift Work	This provision sets out the normal hours of work and definitions of shift work hours. This provision is reasonably in line with the comparable awards.
Grievance and Dispute Settling Procedures	Outlines the appropriate steps and consultative mechanisms to be followed when a dispute arises. This provision closely follows similar provisions within the comparable awards.
Increase in rates	The Agreement provides for a 4.0% increase in the wage rates for employees.
Enterprise Development Process	The parties have committed to an approach to develop the enterprise to the mutual benefit of all stakeholders, as part of a culture of continuous improvement
Parke Davis Enterprise Award	Incorporates the relevant provisions of this (1996) award, including Redundancy arrangements that are more favourable than award and legislative provisions.



Other aspects within the Agreement that will benefit the employees over and above provisions within the comparable awards include the introduction of Key Performance Indicators to allow employees valuable feedback on their performance and an outline of the future expectations of the Company.

- (iii) The process of negotiation involved discussion between the employees, the managers and representatives of the appropriate unions.
  - (iv) The parties did not enter into the agreement under duress and signed of their own will after negotiation of this agreement.
  - (v) The agreement complies with the principles set by the Commission under section 33.
- (c) A comparison of conditions of employment under the agreement and those which would otherwise apply under relevant awards is in the attached report.
- (d) The Commission may approve the agreement under subsection 35(2) as the agreement proposes to cover a distinct organisational unit, whose working patterns and arrangements are different to other employees employed with the Company.

*Paul Cotterill*

Sworn by the Deponent  
at Caringbah.

Before Me:

) PAUL COTTERILL  
)  
) 19th APRIL, 2000  
) DAVID JAMES BRYDSON

*David James Brydson*  
Justice of the Peace:



## CONTENT COMPARISON

The Parke Davis Enterprise Development Agreement is to be read in conjunction with the awards below.

Parke Davis Enterprise Development Agreement: 2000 -2001	Drug Factories (State) Award	Metal and Engineering (NSW) Award	Storemen and Packers, Wholesale Drug Stores (State) Award
<p><b>1. <u>Introduction</u></b></p> <p>Sets out the intention of this agreement, the parties to the agreement and how the agreement is to be read in conjunction with the relevant common rule state awards.</p>	No comparable provision.	No comparable provision.	No comparable provision.
<p><b>2. <u>Formal Matters</u></b></p> <p>This agreement shall cover employees at the Company's manufacturing operations plant at Caringbah only.</p> <p>The Agreement shall be in operation for a period of 12 months.</p>	No comparable provision.	No comparable provision.	No comparable provision.
<p><b>3. <u>Success of Teams</u></b></p> <p><b>KPIs</b> A system of Key Performance Indicators will be put in place under the agreement.</p> <p><b>Training Development &amp; Multi-Skilling</b> The importance of training is highlighted. Individuals will receive the opportunity to communicate with the Company about areas they feel they would like to develop via PDPs.</p> <p><b>Two-way Familiarisation</b> Voluntary program designed to increase employees' knowledge of systems.</p>	No comparable provision.	No comparable provision.	No comparable provision.



<p><b>4. <u>Customer Service/Cost of Goods Reduction</u></b></p> <p>Outlines the future expectations of the Company, and introduces a system of KPIs with a customer service focus.</p>	<p>No comparable provision.</p>	<p>No comparable provision.</p>	<p>No comparable provision.</p>
<p><b>5. <u>Gradings Review</u></b></p> <p>Provides for employees to develop, learn a variety of jobs and to earn reward for adding more value. The company needs to be better off by virtue of flexibility and higher skill levels.</p>	<p>No comparable provision.</p>	<p>No comparable provision.</p>	<p>No comparable provision.</p>
<p><b>6. <u>Alternative Hours of Work</u></b></p> <p>Sets out the possibility of 12-hour shifts provided there is agreement in writing with the employees in question.</p> <p>If a particular employee cannot work more than 8 ordinary hours on any day, he/she will not be compelled to do so.</p> <p>Proposals for a change in the hours arrangement will be discussed, based on the needs of the business and the needs of the teams.</p> <p><b>Span of Hours</b></p> <p>6am – 6pm, Monday-Friday</p> <p>Afternoon shift finishes after 6.00pm but no later than midnight.</p>	<p><b>Clause 11 Twelve Hour Engagements.</b></p> <p>Following consultation and agreement in writing with employees and appropriate unions, an employer may introduce daily engagements of 12 ordinary hours.</p> <p><b>Clause 9 Hours</b></p> <p>7am-6pm, Monday-Friday</p> <p><b>Clause 12-Shift Work</b></p> <p>Afternoon shift finishes after 6.00pm but no later than midnight.</p>	<p><b>Clause 13 Hours of Work</b></p> <p>Maximum of 10 ordinary hours of work per day. Provisions with</p> <p><b>Clause 15 – Procedures for In-Plant Discussions</b> outlines the procedures to be used to reach an agreed method of implementing a 38-hour week for all employees.</p> <p><b>Clause 13 Hours of Work</b></p> <p>6am-6pm, Monday-Friday</p> <p><b>Clause 16 Shift Work</b></p> <p>Afternoon shift finishes after 6.00pm but no later than midnight.</p>	<p><b>Clause 3 Hours</b></p> <p>Sub-clause (iv), provides that the employer and the majority of employees may agree to extend the maximum ordinary hours worked in one day beyond 8 hours.</p> <p><b>Clause 3 Hours</b></p> <p>6.30am-5.30pm, Monday-Friday</p> <p><b>Clause 4A Shift Work</b></p> <p>Afternoon shift finishes after 6.00pm but no later than midnight.</p>

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Night shift finishes after midnight but no later than 8.00am.	Paragraph 12 (e) (v) provides an exemption at Parke Davis for night shift to finish after midnight but no later than 8.00am.	Night shift finishes after midnight but no later than 8.00am.	Night shift finishes after midnight but no later than 7.00am.
<p><b>7. <u>Grievance Settlement Procedure</u></b></p> <p>Sets out the procedures to be used when a grievance occurs. There is the opportunity for referral to the NSW IRC.</p>	<p><b>Clause 39 Disputes Procedure</b></p> <p>Sets out the procedures to be used when a grievance occurs. There is the opportunity for referral to the NSW IRC.</p>	<p><b>Clause 12 Avoidance of Industrial Disputes</b></p> <p>Sets out the procedures to be used when a grievance occurs. There is the opportunity for referral to the NSW IRC.</p>	<p><b>Clause 31B Dispute Procedure</b></p> <p>Sets out the procedures to be used when a grievance occurs. There is the opportunity for referral to the NSW IRC.</p>
<p><b>8. <u>Parke Davis Enterprise Award</u></b></p> <p>Incorporates relevant provisions of 1996 award by way of Attachment 1.</p>	No comparable provision.	No comparable provision.	No comparable provision.
<p><b>9. <u>Wage Rates Increase</u></b></p> <p>Wage rates to increase by 4.0% from 10 August 2000.</p>	No comparable provision.	No comparable provision.	No comparable provision.
<p><b>10. <u>Enterprise Development Process</u></b></p> <p>To develop the enterprise to the mutual benefit of all stakeholders, as part of a culture of continuous improvement.</p>	<p><b>Clause 7A Enterprise Arrangements</b> provides for improvements in productivity and efficiency.</p> <p><b>Clause 7B Enterprise Consultative Mechanism</b> identifies the need to establish a consultative mechanism appropriate to the enterprise.</p>	<p><b>Clause 2 Structural Efficiency</b> states the commitment to increase the efficiency, productivity and competitiveness of the industry and the need to establish a consultative mechanism appropriate to the enterprise.</p>	<p><b>Clause 41 Enterprise Arrangements</b> provides for improvements in productivity and efficiency.</p> <p><b>Clause 39 Enterprise Consultative Mechanisms</b> identifies the need to establish a consultative mechanism appropriate to the enterprise.</p>
<p><b>11. <u>Leave Reserved</u></b></p> <p>Unions may claim further wage increase if the GST results in CPI exceeding 4.0%</p>	No comparable provision.	No comparable provision.	No comparable provision.

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<p><b><u>Attachment 1</u></b></p> <p>Incorporates relevant provisions of Parke Davis Enterprise Award.</p>	<p>No comparable provision.</p>	<p>No comparable provision.</p>	<p>No comparable provision.</p>
<p><b>1. <u>Processes to be run continuously</u></b></p> <p>Staggered breaks, identifies process for allocation to shift work and enables hand-over between shifts.</p>	<p>No comparable provision.</p>	<p>No comparable provision.</p>	<p>No comparable provision.</p>
<p><b>2. <u>Teams involvement will increase</u></b></p> <p>On the job training of other employees as part of normal duties. Maintenance tradesperson as part of team.</p>	<p>No comparable provision.</p>	<p>No comparable provision</p>	<p>No comparable provision.</p>
<p><b>3. <u>Flexible Work Arrangements</u></b></p> <p>Employees may be utilised in both Production and Warehouse functions.</p>	<p>No comparable provision</p>	<p>No comparable provision</p>	<p>No comparable provision</p>
<p><b>4. <u>Warehouse / Production Issues</u></b></p> <p>Improved product handling arrangements.</p>	<p>No comparable provision.</p>	<p>No comparable provision.</p>	<p>No comparable provision.</p>
<p><b>5. <u>Continuous Improvement</u></b></p> <p>On-going improvement issues comprehended by this agreement.</p>	<p>No comparable provision.</p>	<p>No comparable provision.</p>	<p>No comparable provision.</p>
<p><b>6. <u>Redundancy</u></b></p> <p>Process for retrenchment selection and calculation of payments that are more favourable than awards provisions.</p>	<p>Redundancy award sets out minimum notice and payment scales.</p>	<p>Redundancy award sets out minimum notice and payment scales.</p>	<p><b>Clause 35 Redundancy</b> sets out minimum notice and payment scales.</p>

