

# ENTERPRISE AGREEMENT



NO. EA 98/180  
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**REGISTER OF  
ENTERPRISE AGREEMENTS**

**ENTERPRISE AGREEMENT NO: EA98/180**

**TITLE: Caroma Industries Limited, Wetherill Park, Enterprise Bargaining Agreement 1998**

**I.R.C. NO: 98/2834**

**DATE APPROVED/COMMENCEMENT: 19 June 1998 and commenced 27 February 1998**

**TERM: Expires 27 February 2000**

**NEW AGREEMENT OR  
VARIATION: New. Replaces EA 97/165.**

**GAZETTAL REFERENCE:**

**DATE TERMINATED:**

**NUMBER OF PAGES: 12**

**COVERAGE/DESCRIPTION OF**

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

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



# Enterprise Bargaining Agreement Wetherill Park (1998) AGREEMENT

## 1. TITLE

This Enterprise Agreement shall be known as the "Caroma Industries Limited, Wetherill Park, Enterprise Bargaining Agreement 1998".

## 2. ARRANGEMENT

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## 3. APPLICATION AND INCIDENCE OF AGREEMENT

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



#### **4. PARTIES BOUND**

**4.1. Caroma Industries Limited**

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

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

**4.3.1. The Federated Brick, Tile & Pottery Industrial Union of Australia, NSW Branch**

**4.3.2. Automotive, Food, Metals, Engineering, Printing & Kindred Industries Union, NSW Branch**

**4.3.3. National Union of Workers, NSW Branch**

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

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

This Agreement shall operate from 27<sup>th</sup> February, 1998 and shall remain in force until 27<sup>th</sup> February, 2000.

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

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

**6.2. This agreement replaces and rescinds the "CAROMA INDUSTRIES LTD, Wetherill Park, Enterprise Bargaining Agreement 1996" (IRC3966 of 1997; EA 97/165).**

## 7. SINGLE BARGAINING UNIT

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

## 8. WORK ANALYSIS & JOB DESIGN

8.1. The parties agree to continue analysis of work activities which aim to identify barriers and propose solutions. As barriers are identified and possible solutions are suggested they will be referred to the appropriate committee or person for prompt action. They will include but not be limited to:

Productivity	Quality	Health & Safety
Efficiency	Waste Minimisation	

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

8.3. The parties agree to clarify the existing wage structure (where required) by updating the Skill Description to reflect current operations. A sub committee will be formed and this task will be completed by the end of July 1998.

Information regarding skill description and pay rates will be communicated to employees as part of their Induction Programme.

8.4. During the life of the agreement the Parties agree to investigate the implementation of Self Managed Work Teams. The aim will be to set up a pilot area and monitor the results for six months. Investigations will be completed by August 1998.

## 9. ARRANGEMENTS OF HOURS

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



section agree.

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

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

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

Operators are required to be at their designated work stations by the stipulated start and finish times.

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

**Clause 9.1 applies to production workers only.**

9.2. During the life of this agreement the parties will review existing methods of operating the 38 hour week. This may include options such as flexi-time and/or rostered days off. Following the review, which will be conducted by the Consultative Committee, and where appropriate for the business needs, pilot programmes of the new arrangements will be conducted. The Consultative Committee will establish a timetable for conducting the initial review and ongoing reviews of any pilot programmes. Where appropriate, the parties are committed to implementing initial pilot programmes by August 1998, with each pilot to operate up to a maximum of four (4) months. At the conclusion of each pilot programme, the following options will apply:

- a) the piloted arrangements discontinued
- b) accepted as the standard arrangement where both parties agree
- c) where appropriate modified and further pilot programme conducted if necessary.



## 10. LABOUR HIRE PERSONNEL

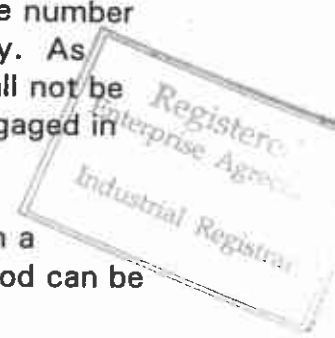
It is the company's intention to use permanent employees in preference to Labour Hire Personnel. However, in the event the Company engages Labour Hire personnel, it will be based on the following procedure.

### 10.1. PROBATIONARY LABOUR HIRE

- Persons engaged as "probationary labour hire" must be engaged to fill a full time vacancy. There shall be no limit on the number of probationary hire personnel engaged by the Company. As such, persons engaged as Probationary Labour Hire shall not be counted when calculating the number of labour hire engaged in relation to full time weekly production employees.
- Engagement up to the first 12 weeks will be worked on a probationary hire basis and during the probationary period can be terminated by a days notice (or by payment in lieu).
- During the period of engagement between 6 and 12 weeks, a probationary labour hire person may be made a permanent employee.
- Once a Probationary Labour Hire person is made a permanent employee then the Company (new employee) probationary period of 3 months will apply from the first day of permanent employment.

### 10.2. SPECIFIC PURPOSE LABOUR HIRE

- "Specific purpose labour" hire may be engaged to meet peaks in workload and to cover planned/unplanned absences or specialists needs.
- The Company will regularly inform and update the Consultative Committee and Union Delegates about the number of "special purpose labour hire" engaged by the Company, the reasons for their engagement, and the expected length of their engagement.
- The parties agree that persons engaged pursuant to this clause should be paid all relevant entitlements under the applicable award(s) and this agreement. The company undertakes to ensure that labour hire firms comply with the terms of this clause, this agreement and the applicable awards.
- The maximum number of "specific purpose labour" hire that may be engaged is 16% of the permanent full time weekly production work force.



**NOTE:**

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

**11. PAYROLL DEDUCTION OF UNION FEES**

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



**12. OCCUPATIONAL HEALTH & SAFETY**

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

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

- Adopt a Health & Safety Management System in compliance with the National Safety Council of Australia 5 star Health & Safety Management System.
- Review the Occupational Health & Safety Management System as part of a continuous improvement process and move towards best practice.
- The employees agree to participate in and support the programme during the duration of this agreement.

The parties agree to participate in:

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



### 13. KEY PERFORMANCE INDICATORS

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



- This process commenced in October 1996
- Performance based indicators will be in place by 28<sup>th</sup> February, 1999.
- A Sub-Committee will be formed to organise the introduction of Key Performance Indicators. The Sub-Committee's scope will include:-
  - Relevant shop floor training
  - Measurement methods
  - Target setting
  - Establishment of base performance measures
- The Consultative Committee will be responsible for monitoring the Key Performance Indicators.
- The recommended Key Performance Indicator is
  - Pieces per paid man hour.
- The KPI will be measured over a 12 month period commencing (28<sup>th</sup> February, 1999) and if the Target is reached and sustained, a 2% one off lump sum payment will be made to each weekly paid employee.
- The payment will be based on the value of a 2% increase on the ordinary rate of pay over the last 6 months of the agreement (27<sup>th</sup> August, 1999 - 27<sup>th</sup> February, 2000)

**NOTE:** The 2% will not be added to the ordinary hourly rate of pay.

### 14. NATIONAL STANDARDS

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

### 15. COMMUNICATION

The parties agree to establish communication channels which enable active participation of all employees. In addition to existing methods such as, Site Consultative Committee, Occupational Health & Safety Committee, the company agrees to regularly provide information through feedback sessions.

Supervisors will also hold once monthly "toolbox talks" in which the

following subjects (although not limited to) will be discussed:

- business performance
- health and safety
- departmental performance
- production problems
- quality



These meetings will be scheduled by Management and agendas will be issued. Employees agree to contribute fairly and openly in meetings and discussions.

## 16. REDUNDANCY

In the event of redundancies becoming necessary, the parties agree that the James Hardie Bathroom Products Broadmeadows Agreement (dated 3<sup>rd</sup> December, 1990) will form the minimum payment for redundancy. The parties confirm that consultation and negotiations shall include employees and their union representatives.

## 17. AVOIDANCE OF INDUSTRIAL DISPUTES

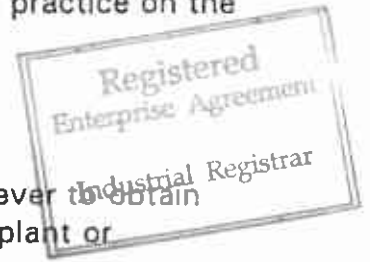
The objectives of this procedure shall be to promote the resolution of disputes by measures based on consultation, cooperation and discussion; to reduce the level of industrial confrontation; and to avoid interruption to customer service, performance of work and consequential loss of production and wages.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

- I. Employees with a grievance should, in the first instance, discuss the matter with their immediate Supervisor. If the matter is not satisfactorily resolved at that level then the employee should approach successive levels of Management. Employees may be represented by the delegate if the person wishes.
- II. If the matter remains unresolved or the employee is not satisfied with the outcome, a union organiser can be invited to discuss the matter with the company.
- III. If the matter remains unresolved the parties may seek the assistance of the NSW Industrial Relations Commission.
- IV. Sensible time limits shall be allowed for the completion of the various stages of the discussion. At least twenty four hours should be allowed for discussions to commence.
- V. Management shall ensure that all practices applied during the operation of this procedure are in accordance with safe working

practices and consistent with established custom and practice on the site.

#### 18. NOT TO BE USED AS A PRECEDENT

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



#### 19. REVIEW OF AGREEMENT

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

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

#### 20. WAGE INCREASE

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

b) The company agrees to pay all employees covered by this Agreement wage increases as follows:-

The ordinary pay of all employees as at 26<sup>th</sup> February 1998 shall be increased by, 4% payable from the 1<sup>st</sup> pay period on or after the 27<sup>th</sup> February, 1998

A further 4% increase shall be payable from the 1<sup>st</sup> pay period on or after the 27<sup>th</sup> February, 1999

KPI - 2% Lump sum payment based on achieving KPI. Not to be included in the ordinary hourly rate of pay. Refer clause 13 (KPI)

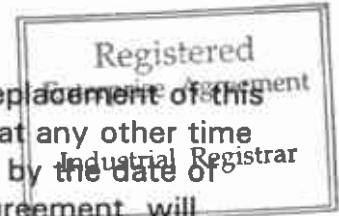
The parties bound by this Agreement will seek no additional wage increases other than those referred to above during the term of the Agreement. This does not include wage adjustments due to promotion or re-classification which will be in accordance with established site pay rates.

**21. NO EXTRA CLAIMS**

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

**22. RENEWAL OF AGREEMENT**

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



**23. SUPERANNUATION**

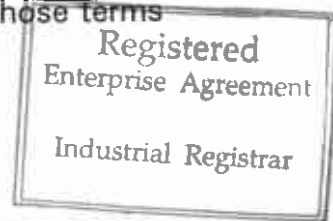
In relation to superannuation contributions to be paid by the Company, the Company is committed to meeting its obligations under the Superannuation Guarantee Charge Act (SGC). During the life of this agreement the Company will make superannuation contributions on behalf of employees at the rate of 8.82% of ordinary time earnings.

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

The parties note that this rate of contribution is in excess of the rate required by legislation. Under the relevant legislation employers are currently obliged to pay, as a minimum, a superannuation contribution of 6%. This required contribution rises to 7% from 1<sup>st</sup> July 1998 and will continue to increase to 8% on 1<sup>st</sup> July, 2000 and 9% on 1<sup>st</sup> July, 2002. The Company contributions will not increase above 8.82% until the 9% rate is required by legislation, that is 1<sup>st</sup> July, 2002. At this time the Company will make superannuation contributions at the rate of 9%.

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

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



*[Handwritten signature]*  
.....

dated 31/3/98

For Caroma Industries Limited

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

*[Handwritten signature]* ..... dated 1-4-98

For the Federated Brick, Tile and Pottery Industrial Union of Australia - New South Wales Branch.

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

*[Handwritten signature]* ..... dated 8.4.98

For the National Union of Workers - New South Wales Branch

I am an officer of the Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union - New South Wales Branch and am authorised by the Committee of Management of the Organisation to approve the terms contained within this Enterprise Agreement on its behalf and have approved those terms on its behalf.



dated 15 APR 98

For the Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union - New South Wales Branch.



The amendments do not in any way change the substance of the terms of the Agreement reached between the parties. They are intended only to clarify the meaning of the clause itself. These amendments have been incorporated into the attached page marked "AMENDED PAGE 9".

We thank you for your assistance in this matter.

Signed for and on behalf of CAROMA INDUSTRIES LIMITED

.....  
Signature Print Name Date

Signed for and on behalf of the FEDERATED BRICK TILE AND POTTERY INDUSTRIAL UNION OF AUSTRALIA, NEW SOUTH WALES



.....  
Signature Print Name Date

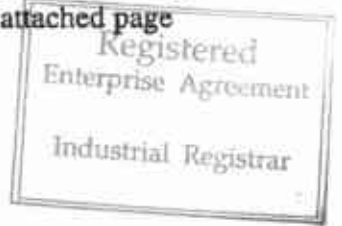
Signed for and on behalf of the NATIONAL UNION OF WORKERS, NSW BRANCH

*[Handwritten Signature]* ..... *FRANIS BELIAN* ..... *29.5.98* .....  
Signature Print Name Date

Signed for and on behalf of the AUTOMOTTIVE, FOOD, METALS, ENGINEERING, PRINTING & KINDRED INDUSTRIES UNION, NSW BRANCH

.....  
Signature Print Name Date

The amendments do not in any way change the substance of the terms of the Agreement reached between the parties. They are intended only to clarify the meaning of the clause itself. These amendments have been incorporated into the attached page marked "AMENDED PAGE 9".



We thank you for your assistance in this matter.

Signed for and on behalf of CAROMA INDUSTRIES LIMITED

*[Handwritten signature]*  
Signature

EDEG NICHOLS  
Print Name

18/6/98  
Date

Signed for and on behalf of the FEDERATED BRICK TILE AND POTTERY INDUSTRIAL UNION OF AUSTRALIA, NEW SOUTH WALES

.....  
Signature

.....  
Print Name

.....  
Date

Signed for and on behalf of the NATIONAL UNION OF WORKERS, NSW BRANCH

.....  
Signature

.....  
Print Name

.....  
Date

Signed for and on behalf of the AUTOMOTIVE, FOOD, METALS, ENGINEERING, PRINTING & KINDRED INDUSTRIES UNION, NSW BRANCH

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Signature

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Print Name

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Date