

**REGISTER OF
ENTERPRISE AGREEMENTS**

ENTERPRISE AGREEMENT NO: EA00/203

**TITLE: Blue Circle Southern Cement Seven Hills Enterprise Agreement
2000**

I.R.C. NO: IRC003055

DATE APPROVED/COMMENCEMENT: 14 July 2000

TERM: 36 months

**NEW AGREEMENT OR
VARIATION: New**

GAZETTAL REFERENCE: 25 August 2000

DATE TERMINATED:

NUMBER OF PAGES: 13

**COVERAGE/DESCRIPTION OF
EMPLOYEES: Applies to employees engaged as Production Operators at the
company's site at Powers Road, Seven Hills**

**PARTIES: Blue Circle Southern Cement Limited -&- The Australian Workers' Union,
New South Wales**

Registered
Enterprise Agreement

Industrial Registrar

**Blue Circle Southern Cement Seven Hills
Enterprise Agreement**

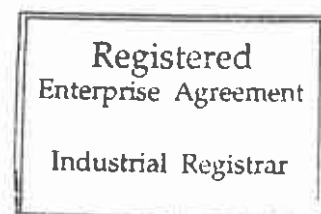
1. ARRANGEMENT

- 1) Arrangement
- 2) Title
- 3) Parties Bound
- 4) Period of Operation
- 5) Relationship with Parent Award
- 6) BCSC Seven Hills' Vision
- 7) BCSC Seven Hills' Values
- 8) Training and Development
- 9) Job Security
- 10) Probationary Employment
- 11) Wages and Allowances
- 12) Reward and Key Performance Indicators
- 13) Commitment to Occupational Health & Safety
- 14) Work Clothing and Safety Equipment
- 15) Grievance Resolution Procedure
- 16) Redundancy
- 17) Workplace Relations – Anti-Discrimination & Harassment
- 18) Signatories

Appendix A – Schedule of Enterprise Agreement Actions

2. TITLE

This agreement shall be known as the "Blue Circle Southern Cement Seven Hills Enterprise Agreement 2000".



3. PARTIES BOUND

This Agreement shall be binding on:

- (a) Blue Circle Southern Cement Seven Hills ("BCSC"), a division of Blue Circle Southern Cement Limited;
- (b) The Australian Workers Union; and
- (c) Employees of BCSC engaged as Production Operators at BCSC's plant at Powers Road, Seven Hills, NSW.

4. PERIOD OF OPERATION

This Agreement shall come into operation from the first pay period commencing on or after 22nd March 2000 and shall remain in force for a period of 3 years.

5. RELATIONSHIP WITH PARENT AWARD

This Agreement shall be read and interpreted wholly in conjunction with the *Blue Circle Packaging Plant (State) Award* as varied, provided that where this Agreement is inconsistent with that award, the provisions of this Agreement shall prevail to the extent of the inconsistency.

6. BCSC SEVEN HILLS' VISION

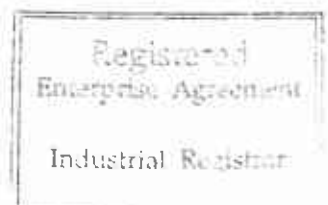
We will achieve our vision of leadership and profitable growth by delighting customers inside and outside BCSC Seven Hills.

Delighted Customers	Leadership	Profitable Growth
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7. BCSC SEVEN HILLS' VALUES

By holding ourselves accountable and continually addressing areas where we can improve, we will create an environment reflecting these common values:

Mutual Respect and trust in our working relationship	Communication that is open, consistent and two-way
Innovation and encouragement to challenge the status quo	Continuous Improvement , development and learning in all we do
Performance with recognition for results	Teamwork and meeting our commitments to one another



8. TRAINING AND DEVELOPMENT

8.1 Opportunities for employees

BCSC makes a commitment to provide the opportunity to all employees for a reasonable amount of training. BCSC believes that the provision of continuous learning systems is essential to support the development of decision making and leadership skills, and team self-management.

8.2 Traineeships

BCSC may establish a system of traineeships, which provides approved training in conjunction with employment in order to enhance the skill levels and future employment prospects of trainees. The system is neither designed nor intended for those who are already trained and job ready (see section 9.3. for the Training Program for current employees). It is not intended that trainees shall displace existing employees from employment. Nothing in this clause shall be taken to replace the prescription of training requirements. The employees engaged by this Agreement and the AWU agree with this concept in principle, but will reserve agreement for implementation to that time when a detailed proposal is presented.

8.3 Training and Development Committee

During the first 12 months of operation of this Agreement, the Training and Development Committee will develop:

- (a) Competencies for a 5 step classification structure, which will incorporate the existing three Skill Classifications, basic maintenance tasks at each classification level, and basic quality control tasks at Multiskilled and Plant Operator classification levels:
 - (i) Team Leader
 - (ii) Plant Operator
 - (iii) Multiskilled Operator
 - (iv) Entry Level Operator
 - (v) Trainee
- (b) A competency based training program;
- (c) A training and competency review system; and

- (d) Broad range of performance measures to operate as the indicators for the new reward scheme provided by clause 12.1.(b) of this Agreement. These performance measures shall be developed from a range of categories, including: attendance; housekeeping; safety, health & environmental performance; quality; production efficiency & productivity; continuous improvement and customer service.

8.4 Basic Maintenance and Quality Control

The specific tasks to be performed in respect to basic maintenance and quality control will be defined by the Training & Development Committee during the first year of this Agreement. However, the scope of each will be:

- (a) **Basic Maintenance:** provide first response to breakdowns and correct if possible. If not, notify appropriate person for prompt action. In addition, regularly complete preventative checks of plant (e.g. greasing, equipment inspection) and report for actions to be included in the maintenance schedule.
- (b) **Quality Control:** complete daily testing and sampling of raw materials/finished products to ensure that specifications are met. This role will be required 2-3 days per week (note that the days required per week will be at the discretion of BCSC management), and employees will rotate. Operators will report to the Site Quality Officer when fulfilling this position.

8.5 Production Team Leader

Promotion to the position of Production Team Leader will be by appointment only.

9. JOB SECURITY

BCSC makes a commitment to its employees that any reduction in the number of our people will, for the life of the agreement, only occur on a voluntary basis or by natural attrition.

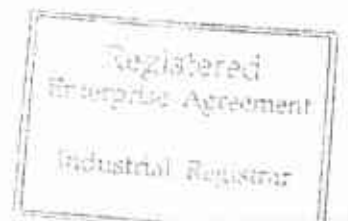
10. PROBATIONARY EMPLOYMENT

All new employees of BCSC will be subject to an initial probationary period of 6 months, during which time BCSC will assess the employee's suitability for his or her position.

11. WAGES AND ALLOWANCES

11.1 Wage Increase

A wage increase of 3% p.a. applies to all skill classifications during the term of this Agreement.



11.2 Multiskill Component

A 1% increase will be paid to all skill classifications, except for Entry Level Operator, effective from 22.3.00 in recognition of the inclusion of maintenance and quality control skills within these classifications.

11.3 Wages

The following table defines the normal 38 hour weekly wage rate payable to each skill classification during the term of this Agreement:

Skill Classification	Date Effective From	Wage Rate
Level 5 - Production Team Leader	22.3.00	\$598.71 per week
	22.3.01	\$616.67 per week
	22.3.02	\$635.17 per week
Level 4 - Plant Operator	22.3.00	\$564.51 per week
	22.3.01	\$581.45 per week
	22.3.02	\$598.89 per week
Level 3 - Multiskilled Operator	22.3.00	\$532.29 per week
	22.3.01	\$548.26 per week
	22.3.02	\$564.71 per week
Level 2 - Entry Level Operator	22.3.00	\$498.56 per week
	22.3.01	\$513.52 per week
	22.3.02	\$528.93 per week

11.4 Meal Allowance

The following meal allowances will be applicable for the term of this Agreement as per the conditions defined in the *Blue Circle Packaging Plant (State) Award*:

Date Effective From	Allowance
22.3.00	\$8.24
22.3.01	\$8.49
22.3.02	\$8.74

11.5 Night Shift Allowance

All parties to this Agreement have agreed to seek arbitration on an appropriate night shift allowance.

11.6 Introduction of Performance Based Remuneration Structure and/or Annualised Salaries

During the term of this Agreement, BCSC and its employees commit to investigating:

- (a) New and innovative methods of remunerating and rewarding employees via a performance based remuneration structure; and
- (b) The introduction of annualised salaries to provide a means of stabilising employees' incomes.

If viable, a new system or systems will be developed in consultation between BCSC and the employees bound by this Agreement.

12. REWARD AND KEY PERFORMANCE INDICATORS

12.1 Participation in Reward Scheme

Employees will be entitled to participate in BCSC's reward scheme on the following basis:

- (a) During the first 12 months of operation of this Agreement, a reward will be paid in accordance with clause 12.2(a)-(d) to employees who fulfil the requirements of the following Key Performance Indicators (KPIs). Each KPI has a 50% weighting for the net bonus potentially available to each employee:
 - (i) **Attendance.** This is an individual KPI. An 'absent day' is defined as any Leave Without Pay (for a full 8 hour shift). An employee who has a perfect attendance record (i.e. no absent days) will achieve 100% of this KPI. If an employee has an 'absent day', they will be penalised their Attendance Reward for that week in which the 'absent day' occurs.
 - (ii) **Housekeeping.** This is an individual KPI. BCSC defines 3 types of 'waste':

- 2) **Personal Waste:** i.e. non-production waste generated by an individual, e.g. food scraps, drink containers etc. Such waste must be placed in the appropriate bins provided. Each employee is responsible to ensure that their work area / amenities are free of such waste by the completion of their shift. Failure to comply with this will result in the employee not being eligible to receive the Housekeeping Reward. Note that the Meal Room and Loading Yard are exempt from this Reward scheme, however, employees are still expected to maintain high standards of housekeeping in these areas.
- 3) **Organisational Waste:** i.e. production-related waste such as plastics and broken bags. Again these must be placed in the bins provided. In addition, this type of waste includes poor organization, such as pallets of raw materials or products not being stored in their correct location. Employees are responsible for removing or clearing this type of waste from their Work Area before the completion of their shift. Failure to comply with this will result in the employee not being eligible to receive the Housekeeping Reward.

“CLEAN AS YOU GO!”

- 4) **Spillages and Waste from Machinery and Equipment:** e.g. spillages of materials from packers and conveyors. BCSC recognises that this waste is not generated by employees and therefore is exempt from the Housekeeping reward. Time will be allocated to clear and/or remove this waste as a normal task of work.

- (b) After the first 12 months of operation of this Agreement, rewards will be paid in accordance with clause 12.2.(e) to employees who fulfil the requirements of a broad range of KPIs which will be determined by the Training and Development Committee as set out in clause 8.3.(d).

12.2 Calculation of Reward

- (a) Rewards are calculated and paid weekly. If an employee fails to satisfy the criteria of either KPI they will be penalised 50% of their total Reward for that week.
- (b) An employee must be in employment with BCSC on a permanent basis for 1 month before they are eligible to participate in the Reward Scheme.

- (c) A Reward pool will be available for all employees to share for the term of this Agreement. The quantity of this payment will vary according to the number of permanent employees that are covered by this Agreement. Note, however, that this pool is to be shared amongst a maximum of 11 permanent employees, i.e. if the number of employees increases more than 11, the Reward pool must be increased proportionately.
- (d) The total quantity of Rewards that are penalised for both KPIs during each 4 month period will be re-distributed to those employees who totally satisfy the criteria for both KPIs during the same period. These 'bonus' reward payments will be made on the following dates each year for the term of this Agreement:

15th April

15th August

15th December

Note that the first re-distribution of penalised rewards under this Agreement will occur on 15th August 2000.

- (e) During the first 12 months of this Agreement, a broad range of KPIs will be developed and will be sourced from the categories defined in 8.3.(d). Effective from the 22.3.01, the method for calculating the reward defined in sections 12.2.(a)-(d) will no longer apply. Rather, a similar arrangement (to be developed within the first year of this Agreement) will apply that links calculation of the reward to the new broader range of KPIs. Each KPI will be given a weighting, and rewards that are penalised will still be re-distributed to those employees who achieve a high standard of performance.

12.3 Reward Pool Increase

An increase of 4% will apply to the Reward pool, effective from 22.3.00. An additional increase of 3% will apply effective from 22.3.01. Note that no increase will apply during the third year of this Agreement. Therefore, the following Reward pool p.a. will be available to all employees who participate in the Reward scheme defined in sections 12.1. and 12.2:

Date Effective From	Reward Pool p.a.
22.3.00	\$43,680.00
22.3.01	\$44,990.40
22.3.02	\$44,990.40

13. COMMITMENT TO OCCUPATIONAL HEALTH AND SAFETY

BCSC is committed to maintaining a workplace which is free from risks to the health and safety of its employees. To that end, employees agree that the following points on safety will be carefully observed:

- (a) Employees should be sure that they understand the correct procedure for each task to be performed. If the employee is in any doubt at all, the employee should ask his or her supervisor for clarification.
- (b) The safety of all employees will be influenced by individual employee's actions. Each employee should take care that what they do will not adversely affect safety of others.
- (c) BCSC will view most seriously any violation of its safety rules. In these instances, normal company disciplinary procedures will apply.
- (d) Tidiness and good housekeeping are the watchwords of accident prevention. Employees should always keep their work area tidy and clear of hazards. To assist with this, BCSC will provide employees with appropriate training in hazard identification and assessment.
- (e) Work instructions are available. Employees must familiarise themselves with these.

14. WORK CLOTHING AND SAFETY EQUIPMENT

14.1 Provision and laundering of protective clothing and equipment

Through an arrangement with an external company, Blue Circle Southern Cement will provide all employees with five (5) laundered shirts and five laundered (5) trousers per week. However, all employees must abide by the terms and conditions of this arrangement to ensure that this commitment of laundered clothing is honoured. It is a condition of employment that all employees wear the correct uniform at all times during their shift. This arrangement supercedes clause 11. of the BCP Enterprise Agreement 1998.

BCSC Seven Hills will also issue each employee with other Personal Protective Equipment, such as jacket, safety boots, safety helmet, etc.

15. GRIEVANCE RESOLUTION PROCEDURE

- (a) BCSC and it's employees recognise that individual and group problems will arise from time to time and it is necessary to resolve these matters promptly and through open communication;

- (b) Subject to the Industrial Relations Act 1996 (NSW), a grievance is a complaint or concern made by an individual or group in a n organisation about a work issue, including an act, omission, situation or decision;
- (c) A grievance shall be dealt with in the following manner
 - (i) The employee(s) shall attempt to solve the grievance with their immediate Supervisor;
 - (ii) Should the matter remain unresolved, or where discussion with the immediate Supervisor is inappropriate, the employee(s) will notify the Operations Manager or BCSC's Human resources Manager of the grievance;
 - (iii) The Manager or BCSC's Human Resource Manager will arrange a meeting with employee(s) within 7 days of notification, or as otherwise agreed to attempt a resolution of the grievance;
- (d) The employee(s) will be entitled to have a union representative or nominee present during any of these stages;
- (e) Should the matter remain unresolved, the matter may be referred to the Industrial Relations Commission of NSW for conciliation and arbitration;
- (f) While the above procedure is being followed, work will continue normally where it is agreed there is an existing practice, but in other cases, work will continue on the Managers instruction. No party will be prejudiced as to the final settlement by continuation of work.

16. REDUNDANCY

If you are made redundant, BCSC will:

- (a) Give you 4 weeks notice or pay you wages for any period of less than 4 weeks
- (b) Pay you severance pay of 4 weeks pay plus 2 1/2 weeks pay for each year of service to a maximum total of 52 weeks severance pay
- (c) Pay you accrued annual leave in accordance with *Annual Holidays Act 1944*
- (d) Pay you long service leave in accordance with the *Long Service Leave Act 1955*.
- (e) "Pay" is defined as the ordinary time rate of pay for the employee concerned.

- (f) Give you an itemised account of all termination payments
- (g) Provide you with assistance in seeking alternative employment, such as time off to look for work and assistance preparing a resume for seeking alternative employment.

17. WORKPLACE RELATIONS – ANTI-DISCRIMINATION AND HARASSMENT

BCSC is committed to providing a workplace free of unlawful discrimination, including sexual harassment. BCSC policy is intended to set appropriate standards of behaviour. It is not intended to intrude on genuine personal relationships.

Unlawful discrimination occurs when a person or group is treated less favourably because of a particular reason, and that reason is specified as unlawful in anti-discrimination legislation. Unlawful discrimination includes discrimination based on race, colour, nationality, national or ethnic origin, immigration status, sex, pregnancy, marital status, disability, homosexuality, age and family responsibilities.

Sexual harassment is any unwanted, unwelcome or uninvited behaviour of a sexual nature, which humiliates, offends or intimidates a person. Sexual harassment may include physical contact, verbal comments, jokes, propositions, and the display of offensive material or other behaviour, which creates a sexually hostile working environment.

BCSC aims to:

- (a) Create a working environment which is free from the unlawful discrimination and sexual harassment, where all employees are treated with dignity, courtesy and respect;
- (b) Implement training and awareness raising strategies to ensure that all employees know their rights and responsibilities;
- (c) Provide an effective procedure for complaints based on the principles of natural justice;
- (d) Treat all complaints in a sensitive, fair, timely and confidential manner;
- (e) Guarantee protection from any victimisation or reprisals;
- (f) Promote appropriate standards of conduct at all times;
- (g) Encourage the reporting of behaviour, which breaches this unlawful discrimination and sexual harassment policy.

Signed by the employees of Blue Circle Packaging:

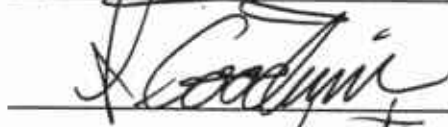
Peter Roodkerk



Wayne Lees



Shannon Goodman



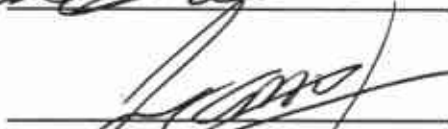
Tim Roberts



Jackson Chapman



Rick Downie



Frank Spireli



Robert Kopscandy



Marco Zdrilic



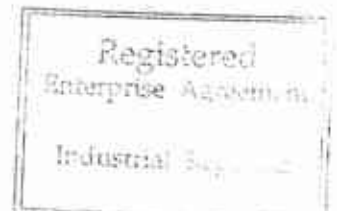
Signed by the Australian Workers Union:

~~Russ Collison~~
Russ Collison



Signed by Blue Circle Southern Cement:

Mark Scully



APPENDIX A – SCHEDULE OF ENTERPRISE AGREEMENT ACTIONS

ITEM	ACTIONS	TIMEFRAME		
		YEAR 1	YEAR 2	YEAR 3
5-Step Classification Structure	Develop competencies for each skill classification			
Training Program	Develop & implement a competency-based training program incorporating each classification			
Training & Competency Review System	Develop & implement a review system to assess the effectiveness of training and employee competency			
Performance Measures	Develop performance measures for bonus scheme			
	Implement performance measures			
Annualised Salaries	Investigate a system for annualised salaries			
	Implement system			

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