

**REGISTER OF
ENTERPRISE AGREEMENTS**

ENTERPRISE AGREEMENT NO: EA02/316

TITLE: Shinagawa Thermal Ceramics Electrical Agreement 2002

I.R.C. NO: IRC02/4490

DATE APPROVED/COMMENCEMENT: 13 August 2002/24 April 2002

TERM: 27 January 2005

NEW AGREEMENT OR VARIATION: Replaces EA99/289

GAZETTAL REFERENCE: 8 November 2002

DATE TERMINATED:

NUMBER OF PAGES: 27

COVERAGE/DESCRIPTION OF EMPLOYEES: Applies to all employees of Shinagawa Thermal Ceramics Pty Ltd at the Company's Port Kembla and Unanderra sites who are eligible to become members of the Electrical Trades Union of Australia, New South Wales Branch and who fall within the coverage of the Metal, Engineering and Associated Industries (State) Award

PARTIES: Shinagawa Thermal Ceramics Pty Ltd -&- Electrical Trades Union of Australia, New South Wales Branch



**SHINAGAWA THERMAL CERAMICS
ELECTRICAL AGREEMENT 2002**

BETWEEN

**SHINAGAWA THERMAL CERAMICS PTY LTD
(A.B.N. 81 082 371 891)**

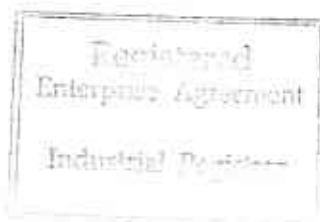
AND

**ELECTRICAL TRADES UNION OF AUSTRALIA, NEW SOUTH
WALES BRANCH
(A.B.N. 24 379 005 569)**



CONTENT

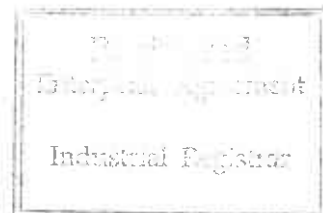
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1. TITLE

This Agreement will be known as the *Shinagawa Thermal Ceramics Electrical Agreement 2002* (Agreement) and will be submitted to the Industrial Relations Commission of New South Wales for approval in accordance with Section 34 of the Industrial Relations Act, 1996.

2. PARTIES BOUND

This Agreement is made between Shinagawa Thermal Ceramics Pty Ltd (ACN 082 371 891) (the Company) and the Electrical Trade Union of Australia New South Wales Branch and will be binding on Shinagawa Thermal Ceramics Pty Ltd, the Union, and employees eligible to become members of the Union who are performing work covered by the Metal, Engineering and Associated Industries Award at the Company's Port Kembla site, the Berkeley Road site.

3. DEFINITIONS

- **'Company'** means Shinagawa Thermal Ceramics Pty Ltd.
- **'Parties'** means the Company, its employee's, and the union.
- **'Sites'** means the Company's premises at the Old No.1 Open Hearth Building Five Islands Road, Port Kembla and the Berkeley Road Plant Berkeley Road Unanderra.
- **'Site Leadership Team'** or **'SLT'** means the team consisting of management and employee representatives established under Clause 6.
- **'Commission'** means The Industrial Relations Commission of New South Wales.
- **'Work Groups'** means a group of employees associated with a specific area or department



4. STRATEGIC PARTNERSHIP

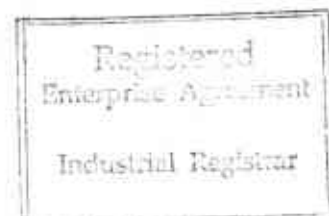
- 4.1 This Agreement has been prepared by representatives of the Company's employees and management. The Agreement will continue the Company's evolutionary step towards making it the best refractory manufacturing company in the Asia Pacific. The recognition and development of sustained strategic partnerships between all levels of the organisation is fundamental to this agreement. The Parties are committed as a site to the development of the working relationship between all Parties at the Site.
- 4.2 The Parties will continue to develop the working relationship to form a strategic partnership on the site that will be long lasting, robust, and of mutual benefit. The strategic partnership will be based on absolute trust, commitment, and co-operation. The Parties will work in an environment where they recognise that the effort and performance of individual employees, and the Work Groups to which they belong,

will result in growth for the Company, satisfaction and development for individual employees, and achievement of business goals.

4.3 The strategic partnership will be developed to actively meet the needs of the business. It is recognised that all employees are part of the Company and will contribute to defining the business needs.

4.4 The Parties agree that all facets of work at the Site will aim to achieve best international standards of excellence and best practice in all relevant respects including –

- Operational and business performance;
- Work organisation;
- Workplace flexibility;
- Recruitment practices;
- Continuous improvement;
- Training and development;
- Quality;
- Safety;
- Harmonious employee relations



4.5 It is recognised that any work injury at the Site is totally unacceptable. The SLTs will involve all employees in ensuring that there is a continuous improvement in the Company's safety performance. It is an objective of this Agreement to achieve an injury-free workplace by implementing the initiatives identified in Clause 7.

4.6 The Parties recognise that the success of the business is based on customer satisfaction and at the Sites customer satisfaction is the driving force behind our strategies and daily actions. The most significant impact that the Parties can make on customer satisfaction is for the Company to operate its plants safely, reliably, efficiently, and effectively. The Company has an ongoing commitment to develop a quality process to ensure that all customer needs are met. The Parties are committed to improving the performance of the Company's plants.

5. WORK GROUPS

5.1 The 'Work Groups' will ensure that employees work as a team with their manager, to meet the goals of the business. The Work Groups will be involved in activities including the development of workplace safety improvement plans, developing employee skill and competency levels, job and skill sharing, resolution of workplace issues.

5.2 The Work Groups will assist management in the allocation of work roles to group members, and will be responsible for ensuring that each team member has access to necessary training and experience to enable the optimal performance of the Work Group.

6. THE SITE LEADERSHIP TEAM

- 6.1 The Parties are committed to the establishment and maintenance of processes through which changes to the Company and performance of work can be discussed and monitored to ensure the interests of all employees and the Company are properly considered.
- 6.2 A 'Site Leadership Team' (SLT) will consist of employee and management representatives and will operate in a consensus mode.
- 6.3 The SLT will meet regularly to monitor performance against measures stated in clause 4.4 and discuss any significant workplace issue that affects the business as a whole and which is unable to be resolved through normal channels of communication.

7. OCCUPATIONAL HEALTH AND SAFETY

- 7.1 The employees covered by this Agreement recognise that each employee is responsible and accountable for working at all times in a safe manner in compliance with applicable occupational health and safety legislation and the 'safe working' policies and practices developed by the Company.
- 7.2 The SLTs will develop and support the implementation of safety initiatives aimed at significantly improving the safety of the Site and reducing the incidence of workplace injuries.

8. EQUAL EMPLOYMENT OPPORTUNITY

- 8.1 The Parties acknowledge that all employees have the right to work in an environment free of discrimination and harassment. The Parties will not condone such behaviour or a work environment that gives rise to such behaviour, and any allegations of workplace harassment or discrimination will be taken seriously and investigated by the Company.
- 8.2 Recruitment, selection for specific jobs, and career progression and promotion, will be determined on the basis of merit, competency, and potential to effectively perform the job. All new and vacated positions, if appropriate, will be advertised internally. All things being equal, seniority applies.

9. HOURS OF WORK

- 9.1 The ordinary hours of work will be thirty eight (38) hours per week, Monday to Friday, eight (8) hours a day averaged over a nineteen (19) day four (4) week cycle.
- 9.2 The spread of normal hours is Day work 5.00 am to 6.00 pm and Shift work 7.00 am to 3.00 pm and 3.00 pm to 11.00 pm and 11.00 pm to 7.00 am. These may be changed by mutual agreement.

- 9.3 The Work Groups will maintain their own rosters ensuring an agreed complement to safely meet the needs of the Business and the Work Group and in accordance with leave legislation requirements.
- 9.4 Overtime shall be worked as required and managed by the Work Group without any extra payment by the Company in excess of the annualised salary for each employee.

10. CUSTOMER SATISFACTION

- 10.1 The Parties are committed to developing and implementing ongoing quality, reliability, and other improvement initiatives with the aim of improving customer satisfaction.
- 10.2 The improvement initiatives may include:
- Targeted employee training;
 - Active employee participation in improvement teams;
 - Active employee participation in the development and implementation of 'up time' measurements and subsequent improvement initiatives;
 - Changing the focus from 'breakdown' maintenance to 'reliability' maintenance (Total Productive Maintenance – TPM).

11. SALARIED WORKING CONDITIONS

The annualised salaries set out in Schedule 4 include components in recognition of the requirement for employees to perform overtime. Employees must be available to perform work outside the ordinary hours set out in sub-clause 9.1.

12. ANNUALISED SALARIES

- 12.1 Employees will be paid an annualised salary. The relevant salaries for each employee classification are those set out in Schedule 4 of this agreement. The classification definitions are set out in Schedule 6.

The annualised salaries will be inclusive of the following entitlements:

- (i) all Award entitlements including but not limited to:
- base weekly wage and safety net adjustments
 - overtime payments including payments for call-ins



- allowances including Leading Hand, Meal, Industry, Shift, and other special disability allowances (excluding First Aid)
- penalty payments
- annual holidays loading

(ii) any over-award payments or allowances

12.2 Salaries will be paid in equal weekly instalments by means of direct deposit transfer into an account with a financial institution nominated by the employee and acceptable to the Company.

12.3 Employees covered by this Agreement will be entitled to the following increases in the salaries set out in Schedule 5 to this Agreement. Any increases in Award rates of pay, including, but not limited to, increases arising from State Wage Case decisions (including Safety Net Adjustments) will be absorbed into the increases set out below on the 1st pay period commencing on or after:

- 24 April 2002, salaries will be increased by 4.0%
- 30 April 2003, salaries will be increased by 4.0%
- 28 April 2004, salaries will be increased by 4.0%
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13. SALARY SACRIFICE

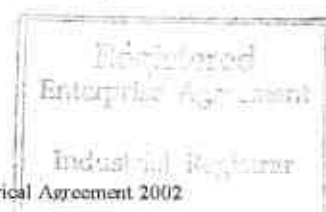
13.1 13.1 Employees covered by this Agreement may if they choose to, sacrifice part of their salary into the Superannuation Trust of Australia based on Company guidelines as set out in Schedule 7.

13.2 Provided that, effective from date of commencement of an employee salary sacrificing, the salary payable to an employee pursuant to this clause will be reduced by the employer by the nominated amount instructed by the employee (not exceeding the company guidelines), of the applicable salary from time to time if the employee elects, by notice in writing in accordance with clause 14.1, to receive that amount as an employer contribution to superannuation for the employee.

14. SUPERANUATION

The Company will make weekly superannuation contributions to Superannuation Trust of Australia on behalf of all employees covered by this Agreement. The Company's contribution rate will be 10% of the employees annualised salary amount.

15. FIRST AID ALLOWANCE



In addition to the salaries in Clause 12, an annual payment will be made to the annual salary for those people who have a Senior First Aid Certificate or the Occupation Health Certificate. Payment will be made to those nominated by the Company according to the classification of certificate held by the employee. Only one of the payments listed below can be made to the relevant employees in any one year.

Annual First Aid Allowance

Senior First Aid Certificate	\$ 620/annum
Occupation Health Certificate	\$1000/annum

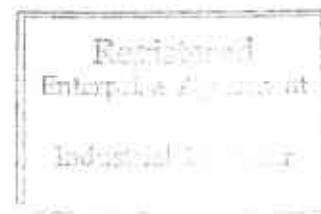
16. CLOTHING

All employees at the Site will be issued with a "voucher" during January each year to the value of \$250.00 (excluding GST), which he or she can redeem at a Company nominated supplier for clothing and foot wear of their choice for wear and use during working hours. The apparel chosen must be suitable for wear in industrial situations. The dollar value of the voucher will be reviewed from time to time (in line with the CPI) and will be a standard amount for all employees.

17. LEAVE

17.1 The Work Group will be responsible for managing the time at which the following leave is taken:

- Annual Leave
- Sick Leave
- Long Service Leave
- Compassionate/Bereavement Leave
- Parental Leave
- Family/Carers Leave
- Special Leave without pay



17.2 Annual Leave

Employees will be entitled to annual leave in accordance with the *Annual Holidays Act 1944 (NSW)*.

- (i) Annual leave must be taken within 6 months post anniversary date. The Company may, at its discretion advance annual leave up to 6 months prior to anniversary date.
- (ii) Annual leave forms must be completed and submitted a minimum 4 weeks prior to the date when leave is requested to commence.
- (iii) Minimum annual leave to be taken is 1 full shift.

- (iv) Annual leave to be taken after the 6 months anniversary date must be approved in accordance with the Annual Holidays Act 1944 (NSW). Application must be made with the Industrial Registrar and the Company in advance.
- (v) Payments made during a period of annual leave or on termination of employment will be paid for at the annual salary rate applying at the time. No annual holidays loading will be payable

Employees with untaken annual leave will be asked if they would like to take their outstanding annual leave or leave it as per *Annual Holidays Act 1944 (NSW)*.

Payments made during a period of annual leave or on termination of employment will be paid for at the annual salary rate applying at the time. No annual holidays loading will be payable.

17.3 Sick Leave

The Company has a discretionary Sick Leave policy. Schedule 5 has details.

17.4 Long Service Leave

The employee is entitled to long service leave in accordance with the Long Service Leave Act 1955 (NSW) at the annualised salary rate applicable to the employee at the time the long service leave is taken.

17.5 Compassionate or Bereavement Leave

This will be granted at the discretion of your Work Group and Management.

17.6 Parental Leave

An employee with 12 months or more continuous service is entitled to a maximum of 52 weeks unpaid, parental leave as per the guidelines set out in the Industrial Relations Act 1996.

Parental leave taken by an employee can be:

- (i) maternity leave, in connection with a pregnancy or birth of her child.
- (ii) paternity leave, in connection with the birth of his spouse's child.
- (iii) adoption leave, in connection with the adoption of a child under 5 years of age.

All parental leave must be completed before the child's first birthday or anniversary of adoption.

An employee and his or her spouse may not take parental leave at the same time, except where one spouse is on a period of "short paternity leave" or "short adoption leave".

An employee must:

- (i) at least 10 weeks before the anticipated commencement of the parental leave, give written notice of the intention to take parental leave and
- (ii) at least 4 weeks before the anticipated commencement of the parental leave (14 days for adoption leave), give written notice of when they wish to start and end the leave.

17.7 Family/Carers Leave

This will be granted at the discretion of your Work Group and Management.

17.8 Special Leave – Without Pay

An employee may request special leave without pay due to urgent or unforeseen circumstances if the employee has no untaken leave entitlements and no other form of leave is appropriate. The following clauses apply to the granting of special leave:

- (i) There must be good and sufficient reason for the requested leave and the Plant Manager must be satisfied that the employee intends to resume duty with the Company at the expiration of his/her leave.
- (ii) The granting of special leave without pay is at the discretion of the Company.
- (iii) The employee may not accept other employment during special leave without pay, without prior approval of the Company.
- (iv) Annual leave and long service leave will not accrue during periods of special leave without pay, except if the leave is given for reasons of the employee's sickness or ill health.
- (v) During periods of special leave without pay the employee's Company superannuation fund contributions will discontinue until resumption of duties.

18. EMPLOYMENT SECURITY

- 18.1 If a downturn in business necessitates a reduction in employees, the Company's priority will be to redeploy employees to the extent

possible elsewhere in the Company whose positions are no longer required.

- 18.2 Opportunities for redeployment at any of the Company's sites will be considered by the Company, and the Company will consult with the employees concerned and their representatives regarding redeployment opportunities.
- 18.3 If suitable redeployment opportunities are not available, the Company will invite employees to offer themselves for voluntary early retirement.
- 18.4 If the reduction in employees achieved by applying steps in either 18.2 and 18.3 is insufficient to meet the needs of the business then the Company, in consultation with the Unions, will aim to resolve the above to the mutual benefit of both parties.

19. DISCIPLINARY PROCEDURE

- 19.1 It is the Company's and Unions' intention that any concerns about the behaviour or actions of all employees be resolved in a timely and proactive manner. The objective is to address unacceptable employee behaviour to ensure that it ceases.
- 20.2 Behavioural concerns regarding employees will be dealt with in accordance with the disciplinary procedure outlined below. The disciplinary procedure is part of the strategic partnership involving the establishment and development of the Work Groups. This disciplinary procedure should be used when the behaviour or actions of an individual is not in accordance with Company policies established by the Company and the Workgroups. The disciplinary procedure is outlined as follows:
- a) It is the intention that behavioural issues are resolved in a timely and pro-active manner. The objective is to correct poor behaviours and to ensure a return to acceptable work practices by the employees concerned.
 - b) The Parties shall observe the following procedures in relation to workplace discipline.
 - (i) Issues of ongoing workplace disciplinary concerns should be raised by the Team Leader.
 - (ii) In the event of the Team Leader requiring discipline, the concerns need to be raised by Work Group members. A relevant union representative on site should be contacted in regard to these concerns.
 - (iii) It is anticipated that any issues raised in regard to the performance of employees or the Team Leader can be



raised and dealt with by the Work Group in accordance with subclauses (i) and (ii).

- (iv) If, however, the issues cannot be resolved, and further assistance to resolve disciplinary concerns is required, the matter shall be referred to an elected Workplace Counsel consisting of 6 members representative of the entire workforce, annually elected by the workforce and the relevant district union representative.
- (v) If the Workplace Counsel cannot resolve the issue, then it becomes a matter for both the relevant Union and Management to deal with.
- (vi) At this stage, the Workplace Council has the responsibility to issue a formal verbal warning. This warning shall be given after discussion with the relevant Site union representatives.
- (vii) If, at this point there is still no improvement by the employee then disciplinary action is necessary. The disciplinary action taken will be dependent on the severity of the incident and in consultation with the Plant Manager and relevant union delegate.
- (viii) Whilst each case has to be dealt with on its own merits there may be some serious incidents which require instant dismissal. Other considerations for disciplinary action are workplace suspension or transfer out of area "dropping back" a level permanently or temporarily.
- (ix) The workplace counsel has the responsibility to issue a formal verbal warning. This warning shall be given after discussion with site union representatives.
- (x) If the individual feels disadvantaged or discriminated against at this point, they have recourse to appeal to their district union representative or beyond.

20. UNION DELEGATES

20.1 The Company is committed to the training and development of Union Delegates at the site so that they have appropriate skills to successfully perform the following responsibilities:

- Developing positive relationships between employees and management;
- Facilitating the implementation of this Agreement;

- Assisting in the resolution of employee grievances and disputes;
- Improving communications within the workplace;
- Ensuring leadership in planning future direction;
- Liaising with Union and industry organisations.

20.2 Subject to approval of their Work Group, union delegates will be given suitable time during work hours to resolve disciplinary issues.

20.3 The Company will consider requests for paid time off for Union delegates to attend trade union courses.

21. EMPLOYEE LEARNING PROCESS

21.1 The Parties are committed to a continuing process of improving employees' skills, knowledge, and competency. The Parties agree to the implementation of skill sharing, and the removal of any restrictions, bans or limitations on employees performing any work for which they are suitably trained and competent, and which is SAFE, LEGAL, and LOGICAL.

21.2 The Parties are committed to the objective of employees participating in 10 days of Company training per year.

22. DISPUTES PROCEDURE

22.1 Step 1 – Issue Resolution

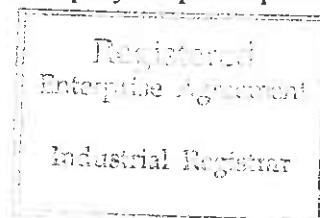
Any employee or a Work Group with a grievance about any issue, should try to resolve the issue within the Work Group. An employee may consult his or her Union delegate and involve the delegate in any discussions. If the Work Group needs time to consider options for resolution, normal work must continue until the matter is resolved by the Work Group or referred to Step 2 of this procedure.

22.2 Step 2 – Issue Resolution

If the matter is not resolved in accordance with Step 1, it will be referred to a combined meeting of the relevant site union representatives, including the relevant district representative. This meeting must take into account the implications of the issue for the entire work site and other Work Groups may be consulted if necessary.

22.3 Step 3 – Issue Settlement

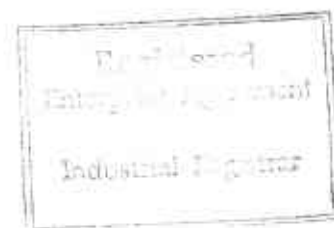
If the issue cannot be resolved at Stage 2 it will be referred to the Commission or an agreed mediator. The Parties will meet their own costs of the mediation.



- 22.4 Whilst the above procedure is taking place, normal safe work will continue. No party will be prejudiced as to final settlement by the continuance of work in accordance with this clause.

23. PERFORMANCE MEASUREMENT AND IMPROVEMENT

- 23.1 The Company and the Unions will monitor the implementation of this Agreement by measuring results against identified performance targets.
- 23.2 Regular performance audits will be conducted by the SLTs.
- 23.3 The performance indicators and targets to be monitored will be agreed by the SLTs and will be looking for improvements in such measures as:
- MTI improvement
 - Productivity improvements
 - Reduction in off-specification production
 - Customer satisfaction improvements
 - Uptime improvements



24. WORKPLACE CHANGE INITIATIVES

Work Group and individual employees are encouraged to develop ideas and initiatives to improve the performance of the business.

25. TERMINATION OF EMPLOYMENT

25.1 Notice of Termination by the Company

- 25.1.1 In order to terminate the employment of a employee, the Company will give to the employee the period of notice specified in the table below:

Period of Continuous Service	Period of Notice
One year or less	One week
Over one year and up to the completion of three years	Two weeks
Over three years and up to the completion of five years	Three weeks
Over five years of completed service	Four weeks

- 25.1.2 In addition to the above notice, employees over 45 years of age at the time of giving of the notice with not less than two years continuous service with the Company will be given an additional week's notice.

- 25.1.3 The Company may terminate an employee's employment by making a payment of the equivalent week's annualised salary in lieu of notice. The Company may also terminate an

employee's employment by requiring the employee to work part of the required period of notice and the Company making payment in lieu for the remainder of the period of notice.

25.1.4 The Company will calculate any payment in lieu of notice at the current rate of the employee's annualised salary.

25.1.5 The periods of notice in this clause will not apply in the case of dismissal for conduct that justifies instant dismissal.

25.2 Notice of Termination by Employee

25.2.1 The notice of termination by an employee required to be given by an employee is the same as that required of the Company, except that there is no requirement for the employee to give additional notice based on his or her age.

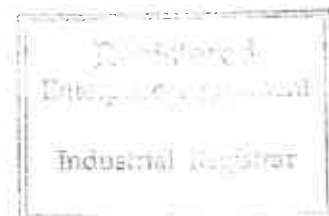
25.2.2 If an employee fails to give proper notice, the Company has the right to withhold any salary owing to the employee, to a maximum amount equal to the annualised salary for the relevant period of notice.

26. PERIOD OF OPERATION OF AGREEMENT

This Agreement will operate from the date of its approval by the Commission until 27 January 2005. Negotiations for a new agreement will commence 3 months prior to expiry of this agreement.

27. NO EXTRA CLAIMS

The Union, Company and employees will not make any claims relating to wages, salaries, and conditions of employment during the term of this agreement.



DATED the

day of April 2002.

SIGNATORIES:

**SIGNED for and on behalf of THE)
ELECTRICAL TRADE UNION of)
AUSTRALIA)
NEW SOUTH WALES BRANCH)**



Secretary
Name (printed): **BERNIE RIORDAN**



Witness
Name (printed): **Rebecca Mitsud**

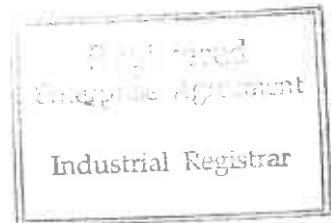
**SIGNED for and on behalf of)
SHINAGAWA THERMAL CERAMICS)
PTY LTD)
(ACN 082 371 891) in the presence of:)**



Director
Name (printed): **R G HOWIE**



~~Director or Secretary~~
Name (printed): **A. Horan**



SCHEDULE 1

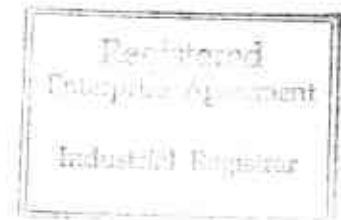
ALCOHOL & OTHER DRUGS POLICY

The Company is committed to achieving the highest performance in occupational health and safety with the aim of creating and maintaining a safe and healthy working environment throughout its businesses.

Consistent with this, the Company will not permit alcohol or illegal drugs to be brought onto the Site. It will not tolerate the consumption of alcohol and or illegal drugs on any site, nor will it allow an employee, visitor or contractor entry into the sites who are under the influence of alcohol or any illegal drugs.

In support of this position the Company will :-

1. Abide by legal requirements that apply.
2. Ensure that employees, contractors and visitors to the Sites are informed of the Company policy, their responsibilities and the consequences of the policy breaches.
3. Ensure employees and contractors are educated concerning the dangers of alcohol and other drugs abuse and the inherent danger of alcohol and other drugs (including prescription drugs) in the workplace.
4. Put management systems in place to ensure that the risks from policy breaches are understood and controlled (including effective challenges/disciplinary procedures and access to information 1 counseling services).
5. Provide appropriate counseling and support facilities for employees with recognized drug and alcohol problems.



Communication, consultation and education will accompany implementation of this policy by the Company.

Disciplinary action will follow breaches of this policy.

SCHEDULE 2

REDUNDANCY PACKAGE STC ELECTRICAL

Standard Payment:

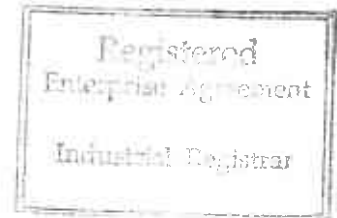
- 1) 4 weeks pay at the annualised salary rate PLUS
- 2) 2.5 weeks pay at the salary rate per year of service.

Supplementary Payment:

Permanent employees with 12 months service or more, 10 weeks pay at the annualised salary rate.

Notice of Termination :

Not less than 4 weeks notice to be given by the Company.

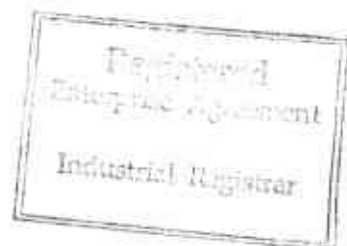


SCHEDULE 3

VOLUNTARY EARLY RETIREMENT PACKAGE - STC ELECTRICAL

Standard Payment:

- 1) 4 weeks pay at the annualised salary rate PLUS
- 2) 2.5 weeks pay at the annualised salary rate per year of service.



Supplementary Payment:

Permanent employees with 12 months service or more, 10 weeks pay at the annualised salary rate.

Additional Supplementary Payment:

Permanent employees with 12 months service or more, a special payment \$12000.00 (after tax).

Notice of Termination:

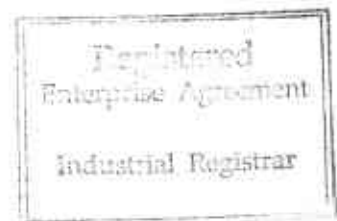
Not less than 4 weeks notice to be given by the Company.

SCHEDULE 4

SALARIES - as from 24 April 2002

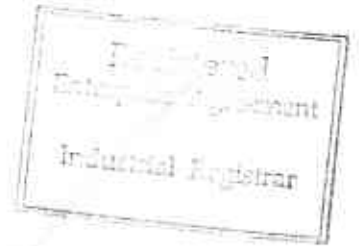
Electrical

Level	Basic
Basic	\$52,220.00
1	\$64,088.00
2	\$74,770.00
3	\$85,451.00
4	\$96,132.00
5	\$100,880.00
6	\$105,627.00



SCHEDULE 5

DISCRETIONARY SICK LEAVE



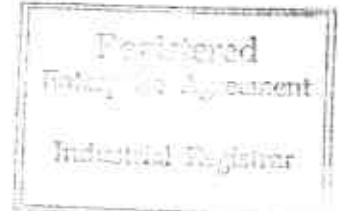
- 1.1 The Company regards sick leave as being insurance against loss of salary in time of genuine ill health or injury. The Company's sick leave policy provides for salary being continued for a reasonable period subject to the following conditions:
- (i) Payment of sick leave is ultimately at the discretion of the Company and each case will be treated its merits in consultation with the SLT. No distinction will be made between ordinary illness or personal injury and illness received from outside sporting and other activities.
 - (ii) Sick leave payment is based on the employee's annualised salary.
 - (iii) To receive sick leave payment an employee must arrange for his/her team leader to be advised at least 30minutes prior to normal commencing time, that he/she is unable to attend work and as far as practicable state the nature of the injury or illness and the estimated duration.
 - (iv) If an employee is absent from duties on sick leave for a period of 1 week or more, he/she must obtain a doctor's certificate stating that he/she is fit to return to work or reason for absence.
 - (v) Where an employee's attendance level becomes unacceptable to the Company, the Company will implement the Disciplinary Procedure as specified in this agreement. As part of implementing the Disciplinary Procedure, the employees concerned may be required to provide additional documentation certifying the reasons for the absences to be determined by the company from time to time.

SCHEDULE 6

ELECTRICAL TRADE LEVELS

Basic

- Apprenticeship completed, 1st year tradeperson
- Competent on all plant processes
- Competent in fault finding
- Fault finding using PLC's
- Competent using Schematic Diagrams
- Competent in fully coordinating work request
- Understanding of load cell/scale head operation
- Understanding of all plant instrumentation
- First Aid training
- Confine space training



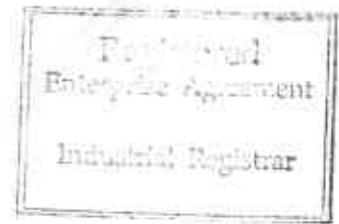
Level 1

- Tradeperson, new employee
- Training on Allen Bradley PLC's (Basic fault finding course)
- Training in CITECT (Basic)
- Training in Hardy/Gedge scale units
- Competent on all plant electrical processes
- Competent on load cell/scale head operation
- Able to calibrate scales
- Able to calibrate instruments
- Able to do minor modifications to PLC programs
- Able to make hardware changes
- Good understanding of operator interfaces
- Basic understanding of mechanical processes
- Able to retrieve/edit electrical databases
- Good understanding of PC's
- Understanding of gas burner/electrical relationship

Level 2

- Tradeperson
- Complete post trade
- Completed half of advanced certificate (time frame - 3 months)
- Training on Allen Bradley PLC's (Advanced programming course)
- Training in CITECT (Advanced)
- Training on robot
- Training on VVVF Drives

- Training on gas burners
- Competent on electrical/mechanical process relationships
- Competent on all facets of Allen Bradley PLC's
- Competent on communications (remote I/O, configuration)
- Competent on gas burners
- Able coordinate and commission work request
- Competent making changes to PLC's/writing simple programs
- Competent contacting suppliers/ordering parts



Level 3

- Training on Hydraulics/Pneumatics (Basic Understanding)
- Training on Allen Bradley Panel views (Panel View Training Course)
- Seek Austel License
- Training on networks (Data Highway & Ethernet)/Gateways
- Competent in making process improvements
- Competent organising and coordinating contractors
- Competent in making simple changes on operator interfaces
- Able to understand/edit complex PLC programs
- Good understanding of plant networks/gateways
- Able to compile Operator Training Manuals

Level 4

- Current C4 Level electrical Tradeperson
- Completed-half of an Associate Diploma
- Training on planning
- Training in HR
- Train the Trainer Training courses
- Training on CAD
- Competent in planning/scheduling work
- Competent in drafting electrical schematics
- Competent in developing process systems
- Competent in developing operator interfaces
- Competent in training operators in the understanding of their plants

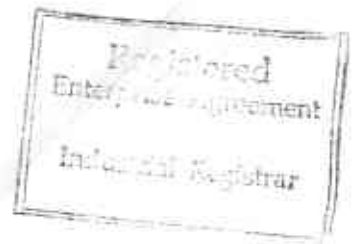
Level 5

- Current C4 Level electrical Tradeperson
- Completed an Associate Diploma
- Training on Hydraulics/Pneumatics (Advanced)
- Team Leader skills (Day work)
- Be involved in selection on new processes
- Competent on hydraulic/pneumatics/electrical relationship
- Competent in developing training manuals
- Able to fault find on plant network

- Able to understand electrical engineering work
- Able to set up computer systems

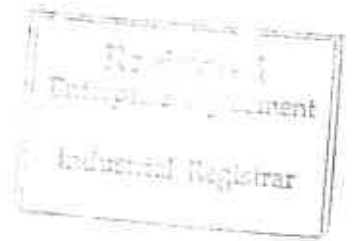
Level 6

- Current C2/C 1 Electrical Tradeperson
- Completed Diploma in Electrical Engineering



SCHEDULE 7

Salary Sacrifice – Company Guidelines



What is Salary Sacrifice? – This is an arrangement between the employer and the employee for which the employee agrees to forgo part of his or her salary or wages in return for particular benefits of similar value. The purpose of this arrangement is to provide the employee to receive income and benefits in a tax-effective manner. In other words, the employee is taxed under the income tax laws only on the reduced salary or wages and that the employer is liable to pay FBT, if any, on the benefits provided (other than superannuation contributions made to a complying superannuation fund).

General Rules

- ❑ **Employees are encouraged to get independent, professional, financial advice about their own particular circumstances before agreeing to any salary sacrifice arrangement.**
- ❑ Only future earnings can be sacrificed.
- ❑ The company will only agree to the employee sacrificing part of their salary or wages as an additional superannuation contribution. All superannuation contributions must be made into the existing employee nominated fund, currently being “Superannuation Trust of Australia” (STA).
- ❑ The employee must agree to a fixed amount \$ for which he or she wishes to sacrifice from each future pay not yet earned as an additional superannuation contribution – based on conditions listed below.
- ❑ The agreement must be in writing.
- ❑ The company has agreed to a settling period of six weeks for which the nominated value can be changed. Once this period expires, the nominated amount can only be reviewed annually by the first pay period in July.
- ❑ Sacrificed amounts are treated as employer contributions so are subject to income tax of up to 15% in the receiving fund and are preserved until retirement.
- ❑ Entitlements such as Long Service Leave, Annual Leave, Leave Loading, Overtime and company superannuation contributions will be paid on the same basis as if there was no salary sacrifice.
- ❑ PAYG tax is calculated on the take home pay (i.e., the gross less the sacrificed amount).
- ❑ Any bonuses, incentive or ex-gratia payments announced may be sacrificed on the condition that there is an agreement made prior to receiving that payment and that the conditions listed below are met.
- ❑ Additional superannuation contribution tax (commonly known as Superannuation Surcharge) of up to 15% may be applicable for high income earners or those with large super balances (refer to your financial advisor for assistance).

SCHEDULE 7

Conditions

- Award employees will **not** be allowed to salary sacrifice below an award, industrial instrument or other legal entitlements. That is, they can not sacrifice if this would reduce their gross take home pay below the applicable legal minimum in the relevant award or enterprise agreement governing their employment.
- The total super contribution (including those made pursuant to the Superannuation Guarantee legislation, an award or under a salary sacrifice arrangement) for any employee should not exceed the amount that the paying company can claim as a tax deduction for that employee:

Age	Maximum deductible contribution
Under age 35	\$11,912
35 to 49	\$33,087
Age 50 and over	\$82,054

Note: these maximums are for the 2001/2002 financial year and are indexed each 1 July to the annual positive movements in the fulltime adult Average Weekly Ordinary Time Earnings (AWOTE).

- ALL leave entitlements will be subject to PAYG and cannot be sacrificed.

