

**REGISTER OF
ENTERPRISE AGREEMENTS**

ENTERPRISE AGREEMENT NO: EA04/194

TITLE: Austral Tiles Punchbowl Enterprise Agreement 2004

I.R.C. NO: IRC4/3593

DATE APPROVED/COMMENCEMENT: 22 June 2004 / 1 June 2004

TERM: 31 Months

**NEW AGREEMENT OR
VARIATION:** Replaces EA02/207

GAZETTAL REFERENCE: 23 July 2004

DATE TERMINATED:

NUMBER OF PAGES: 12

COVERAGE/DESCRIPTION OF

EMPLOYEES: The Agreement applies to all employees of The Austral Tile Company Pty Limited located at Belmore Road, Punchbowl NSW 2196 who fall within the coverage of the Brick and Paver Industry (State) Award

PARTIES: Austral Tile Company Pty Limited -&- The Federated Brick, Tile and Pottery Industrial Union of Australia, New South Wales Branch

AUSTRAL TILES, PUNCHBOWL, ENTERPRISE AGREEMENT 2004

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2. Parties

The Austral Tile Company Pty Limited (ACN 000012340) (the Company) and The Federated Brick, Tile and Pottery Industrial Union of Australia (NSW Branch) (the Union) and the employees of The Austral Tile Company Pty Limited.

3. Application

This Paid Rates Agreement is binding on the The Austral Tile Company Pty Limited, The Federated Brick, Tile and Pottery Industrial Union of Australia (NSW Branch) representing their members, and production and maintenance employees of the Company, employed 62 Belmore Rd. Punchbowl, NSW, in respect to employment conditions and rates of pay for the Company's employees engaged in the manufacture of terracotta floor tiles, pavers and any other ceramic products.

4. Period of Operation

This agreement will operate from 1 June 2004, and shall remain in force until 31 December 2006.

5. Scope

This agreement will cover all employees engaged in the production of terracotta floor tiles, pavers and any other ceramic products.

This agreement is to be read and interpreted in conjunction with the Brick and Paver Industry State Award (the award). It contains some additions and/or modifications to the rates and conditions of that award. Where there is any inconsistency between this agreement and the award, the agreement will prevail.

6. Objectives

- (a) The objectives of this agreement are to continue to facilitate through consultation:
 - (i) flexible working hours;
 - (ii) workplace productivity;
 - (iii) the development and maintenance of the most productive and harmonious working relationship attainable.
- (b) An important factor in reaching the above objectives is the continued development of the working environment where all parties are involved in the decision-making process. Both management and employees are committed to a continuation of positive co-operation in implementing work practices that are flexible and meet the requirements of the Company.

7. Workplace Efficiency

- (a) It is the objective of the parties to this agreement to continue to implement workplace practices providing for more flexible working arrangements to improve manufacturing efficiency and productivity, enhance skills and job satisfaction, and assist positively towards making the manufacturing operation a more efficient enterprise.
- (b) In particular, employees will, within the limits of their skills and training, not impose any restrictive practices. They will perform a wide range of functions and duties, including work incidental or peripheral to their main tasks according to training and competency. They will take all necessary steps to ensure the quality, accuracy and completion of any task.
- (c) Employees will comply with all reasonable requests to transfer and to perform work covered by this agreement.
- (d) In case of machine breakdown, employees will ensure that the plant is kept clean and free from spent materials.

8. Career Progression and Training

- (a) The parties to this agreement continue to recognise that a strong commitment to skill development is required in order to increase efficiency and productivity.
- (b) Opportunities will be made available, wherever practicable, to enable employees to develop skills and competencies for progression through the classification structure consistent with the needs of the enterprise.
- (c) Employees will be encouraged to progress to the highest level personally attainable, consistent with the needs of the enterprise.
- (d) When a new employee commences at a high level due to particular skill requirements, that employee must "backfill" lower level skills within 12 months in order to ensure full flexibility of the enterprise.

9. Casual/Contractor Employment

- (a) Casual/contractor labour may be employed in production on the basis of one casual/contractor employee to every ten full-time production employees, in a particular week. Up to three casuals and or contractors may be used in maintenance and engineering functions. (This basis may be reviewed by the Consultative Committee.) Any change to the basis of this clause will be committed to writing.

Such casual employees may be used to cover:

employees on annual leave or extended sick leave, or workers compensation;

employees undergoing training requirements;

the need to supplement labour during peak load periods; and

the need to supplement labour during the commissioning of plant.
provided that

- (i) they are not used to replace full-time employment and normal overtime;
- (ii) they only work overtime after all full-time employees have declined to work overtime; and
- (iii) whilst they are employed there will be no retrenchments of full-time employees.

The Union Delegate, or Co-delegate will be notified prior to the employment of casual/contractor labour.

- (b) A casual/contractor employee is one specifically engaged as such and paid a loading of an additional 20% on the wage rate prescribed in this agreement. This loading is in lieu of non-payment for sick leave, public holidays, annual leave and long service leave.

10. Hours

- (1) Day Workers - Monday- Friday

- (a) The ordinary hours of work will be 38 per week.
- (b) Ordinary hours will be worked between the hours of 6 a.m. and 6 p.m. with a maximum of 8 hours (apart from meal breaks), worked consecutively, on any one day.

However, ordinary hours may be worked in the period Monday to Sunday by agreement between the Company and the employees, provided that employees will not be required to work in excess of 12 consecutive hours per day

For the purposes of this agreement, the hours of work will be;

- (i) Monday -Thursday: 7:00 a.m. - 3:30 p.m.
- (ii) Friday 6:00 a.m. - Noon.

Provided that where the short Friday is a gazetted holiday the Thursday immediately preceding the holiday will substitute for the Friday.

Provided that the hours may be changed by agreement between the parties or as a result of licence regulation or legislative requirements.

- (c) The Plant Manager may fix the starting time within the limitations in subclause (b) above, and may alter it from time to time, with the consent of the employees.
- (d) Employees will be provided with a meal break of not less than 20 minutes or more than 30 minutes which must commence within four and six hours after commencing work. The morning rest period is deemed as time worked. Penalty rates are payable where an employee is required to work beyond the commencement of the sixth hour until such time as the employee is able to take the meal break. Employees agree to work a rostered meal break between the fourth and sixth hours to keep machines on line

- (e) Where an emergency occurs employees may defer their meal break beyond the sixth hour without the payment of penalties provided they will be allowed to take their meal break when the emergency is over. An emergency is a situation whereby an employees safety is at risk, or where substantial damage to assets can occur, but it is not simply to maintain production.
 - (f) Other meal break arrangements may be worked subject to the agreement by both parties.
- (2) Day Workers - Monday-Sunday, 3 1/2 day roster.
- (a) Day workers working Monday-Sunday will work the following patterns:-
 - (1) Sunday-Wednesday
 - Sunday 7am-6pm
 - Monday 7am-6pm
 - Tuesday 7am-6pm
 - Wednesday 7am-12.30pm
 - (2) Wednesday-Sunday
 - Wednesday 12.30 pm -6pm
 - Thursday 7am-6pm
 - Friday 7am-6pm
 - Saturday 7am-6pm
 - (b) payment for working this work pattern will be as follows-
 - Monday-Friday 8 hours ordinary time, 2 hours time and one half,1 hour double time
 - Saturday and Sunday 11 hours double time
 - Public Holiday 11 hours double time and one half
 - (c) Meal breaks during this work pattern will consist of Morning Tea- 15 minutes
 - Lunch- 20 minutes
 - Afternoon Tea- 15 minutes

All meal breaks will be paid breaks.
- (3) Employees are to clock on and off at the bundy clock, be at their working station by the commencement of the shift and to remain at their working station until the bell sounds for morning tea, lunch and end of shift.
- (4) Employees agree to work a rostered meal break to keep machines on line.

11. Shift Workers

11.1 Definitions

- (a) "Continuous shift" means work carried on with consecutive shifts throughout 24 hours each day for at least six consecutive shifts.
- (b) "Seven day shift" means shift work, other than continuous shift work, rotating across 24 hours of each day and seven days of the week.

11.2 Hours of Work and Annual Leave

- (a) The ordinary hours of shift workers will be 38 per pay period and each shift will not exceed 8 consecutive hours inclusive of a paid meal break. However, if the Company and the employees

agree, a greater number of hours may be worked providing that employees are not required to work in excess of 12 consecutive hours per shift.

- (b) The starting and finishing time for shift workers will be set by the Company to best service the effective operation of the plant. However, the company may alter the starting and finishing times and vary the shift in order to enable a factory to respond flexibly and maximise production in the pattern of demand for the Company's product.
- (c) 11.2(c) Transfer to shift work or day work

Where it is required to transfer a person to or from shift work to day work or vice versa, the following will apply:

1. The union delegate and/or union office will be notified of the reason affecting the change and the number of employees affected.
 2. The parties will consult on the arrangements required to affect the change including but not limiting to:
 3. Changes to the wording of this agreement.
 4. The individual employees affected.
 5. The amount of notice given. If there is any disagreement over the period of notice the award will apply.
- (d) Employees will observe punctuality for start times by clocking on prior to their normal shift at a time which will allow them to be at their place of work at the start time so that machines do not stop on shift changes, and to remain at their working station until the bell sounds for morning tea, lunch and end of shift.
 - (e) A continuous or seven-day shift worker will have added to the worker's annual leave period one extra day for any holidays (as prescribed by the award) which fall within the leave period.

11.3 Overtime

- (a) An employee who is engaged on shift work for less than five shifts in any working week will be paid overtime rates for the time worked as a shift worker in that particular week. Overtime rates will be as per clause 6.3 of the award.
- (b) The above overtime penalty will not apply if:
 - (i) the employee has been engaged on continuous shift work for more than one week; or
 - (ii) the Company and the employee have agreed to work a greater spread of ordinary hours per shift over a lesser working week; or
 - (iii) the lesser number than five shifts worked is due to the action of the employee; or
 - (iv) the employee is a regular burner or tunnel kiln operator to whom Clause 4.6 of the award applies.

12. Overtime

Overtime payments for employee's (other than Monday-Sunday day workers) will be-

Monday-Saturday Time and one half for the first two hours and double time thereafter

Sunday Double time for all time worked

Public Holidays Double time and one half for all time worked

Overtime work will be so arranged that wherever practicable, employees have at least 8 hours off duty between successive days. However, an employee whose ordinary working time commences on the following day before the employee has had eight consecutive hours off duty will be released until the eight consecutive hours are completed. The employee will suffer no loss of pay for the ordinary working time occurring during the employee's absence from duty.

13. Sick Leave

- (a) An employee, other than a Monday-Sunday day worker or a casual employee, who is absent from work on account of personal illness, or injury by accident not arising out of and in the course of employment will be entitled to paid leave of absence of 38 hours in the first year of service and 60.8 hours for each subsequent year of service, subject to the following:
- (i) Sick leave taken during the first 3 months of employment (which satisfies the other provisions of this clause) will only be paid for after the employee has been employed for 3 months.
 - (ii) No payment will be made for any absence for which workers' compensation is paid.
 - (iii) The employee will not be entitled to payment in respect of any time lost on an ordinary working day on which, had the employee attended for duty, the employee would not have been required to work.
 - (iv) The employee will advise the Company of the expected absence and state, as far as practicable, the nature of the illness or injury, within 24 hours of the commencement of the absence.
 - (v) For absences of three single days or more in any sick leave year the employee will provide satisfactory evidence of the illness or injury.
 - (vi) The yearly entitlement of sick days will apply to the sick leave year commencing 1 January 1974 and continue thereafter. Continuous service with an employer prior to this date will be taken into consideration in assessing an employee's sick leave entitlements.
 - (vii) An employee will not be entitled to sick leave for rostered time off due to the 38-hour week pattern of work.
 - (viii) Any untaken sick leave at the end of each year's continuous service will accumulate and be added to the employee's entitlement for the taking of genuine sick leave except as provided in subclause (ix).
 - (ix) In place of adding the accumulation to the entitlement, the employee may apply for a bonus made up of wages equivalent to the outstanding days of the current year's entitlement.
 - (x) A Good Attendance Bonus of \$80.0 will be paid for each full day of untaken sick leave during the current year to be paid in the first pay of December each year. This bonus will be \$83.20 from 1 July 2005 and \$84.86 from 1 July 2006. The bonus will not be paid for the pro-rata days untaken should an employee leave for any reason prior to December.
 - (x) The sick leave entitlement for each year of service will be calculated as follows:

For employment commenced before 31 December each year pro rata until an employee has reached 31 December of the following year after employment;

For employment thereafter, the period from 1 January to 31 December each year.
 - (xi) Monday-Sunday day workers sick leave will be paid and debited at the rate of 7.6 hours for each day's sick leave.

- (b) Continuous service will be deemed not to have been broken by absence on sick leave which meets the above requirements. It will also be deemed not to have been broken in the case of leave of absence granted by the Company or other reasonable cause (proof of which will be on the employee).

14. Wages & Wage Increases

- (a) Wages will be paid by electronic funds transfer no later than Thursday of each week. Changes may be made to accommodate unusual situations or circumstances providing they are in accordance with the *Industrial Relations Act, 1996*.
- (b) Wage rates and Bonuses shall be as set out in this agreement and will be fixed at that rate for the life of the agreement.
- (c) The union agrees and gives an undertaking that no further claims will be made in relation to wages increments for the duration of this agreement.
- (d) Wage increases will be paid according to Appendix D - Skills Matrix. The base rate of \$14.20 (production) and \$16.60 (maintenance) will increase by 4% from 1. June 2004, by 4% from 1 July 2005 and by 2% from 1 July 2006. In addition, production employees will receive increases above the base rate increase according to their assessed level of skill, detailed in Appendix D. Maintenance employees will have their respective trade allowances increased by the same percentage increases as their wages. Skill level increases are subject to the employee having received the appropriate training and approved by management based upon the needs of the operation.

15. Public Holidays

Employees working a Monday-Sunday work pattern will be required to work on public holidays that fall during their normal work time. Where a public holiday falls on a day which is not a normal work day the employee will be paid 7.6 hours pay for the day.

16. Safety Bonus

- (a) Safety bonus payments available will be as follows:

First 3 months	\$50
Second 3 months	\$75
Third 3 months	\$75
Fourth 3 months	\$100
Every 3 months thereafter	\$100

The bonus payment system will revert to \$0 after any employee subject to this agreement has a work related injury requiring doctors treatment.

- (b) Protective clothing and/or safety equipment is to be worn at all times in accordance with SHEM requirements. When Protective Clothing and/or Safety Equipment is required to be worn it shall be supplied by the Company.

17. Severance Pay

Payments will be made in accordance with the following scale:

Years of Service	Entitlement in Weeks	
	Under 45 Years	Over 45 Years
Less than 1 year	Nil	Nil
1 year and less than 2 years	4	5
2 years and less than 3 years	7	8.75
3 years and less than 4 years	10	12.5

4 years and less than 5 years	12	15
5 years and less than 6 years	14	17.5
6 years and less than 7 years	16	20

- (b) An employee with seven or more years service will receive, in addition to the above payments, two weeks pay for each year of service from the seventh year.
- (c) "Week's Pay" means the all-purpose rate of pay for the employee concerned at the date of termination and will include, in addition to the ordinary rate of pay and over-award payments, bonuses, penalty rates and shift allowance.

18. Disciplinary Procedure

The following procedure will be adhered to by the Company and the employees:

- (a) Employees who exhibit unsatisfactory performance of behaviour will be counselled so that they understand the standards expected of them and they will be offered assistance and guidance in achieving those standards.
- (b) Confidential written records of such counselling will be made. The employee will be shown the written record and will have the opportunity of commenting on its contents whether in writing or orally. The record will be placed on the employee's file where the employee has been given the opportunity of responding to the record.
- (c) Employees whose performance or behaviour is unsatisfactory will be given adequate time to demonstrate a willingness to improve. If, at the end of this period, the employee shows no willingness to improve in the opinion of the Company, then disciplinary action up to and including dismissal may be taken.
- (d) Nothing in the procedure will limit the right of the Company to summarily dismiss an employee for serious and wilful misconduct.
- (e) At all stages of the disciplinary process the employee will be entitled to have another available employee present as a witness if desired. The union representative may be informed providing employee confidentiality is not breached.
- (f) All warnings will only expire 12 months after the anniversary date of the relevant warning.

19. Grievance Procedures

- (a) Procedure in relation to a grievance of an individual employee:
 - (i) The employee is required to notify (in writing or otherwise) the Company as to the substance of the grievance, request a meeting with the Company for bilateral discussions and state the remedy sought;
 - (ii) A grievance must initially be dealt with as close to the source as possible, with graduated steps for further discussion and resolution at higher levels of authority;
 - (iii) Reasonable time limits must be allowed for discussion at each level of authority;
 - (iv) At the conclusion of this discussion, the Company must provide a response to the employee's grievance, if the matter has not been resolved, including reasons for not implementing any proposed remedy;
 - (v) While a procedure is being followed, normal work must continue.
- (b) Procedure for a dispute between the Company and the employees:

- (i) A question, dispute or difficulty must initially be dealt with as close to its source as possible, with graduated steps for further discussion and resolution at higher levels of authority;
- (ii) Reasonable time limits must be allowed for discussion at each level of authority;
- (iii) While a procedure is being followed, normal work must continue;
- (iv) The employee may be represented by an industrial organisation of employees and the Company may be represented by a chosen adviser for the purposes of each procedure.

20. Union Meetings

All planned union meetings are to be held in the employees' own time, with the exception of meetings related to the negotiation of an enterprise bargaining agreement or as otherwise agreed with management.

21. Annual Leave

- a) In lieu of Financial Members' Day as provided in clause 7.5.2 of the award, an extra day of annual leave will be added to each employee's entitlement (as currently customarily provided) and taken at a time mutually agreeable to the employee and the Company. Only financial members of the union will receive payment for this day.
- b) Employees working a Monday-Sunday work pattern will receive four weeks annual leave per year. It is agreed that employees may take single annual leave days in accordance with existing annual leave application procedures.
- c) Employees working this pattern will receive an extra week's leave to be paid as a bonus in the first pay week in December each year. The bonus will be paid at the average weekly earnings of the employee.

22. Anti-Discrimination

It is the intention of the parties bound by this agreement to respect and value the diversity of the workforce and to achieve the object in Section 3 (f) of the *Industrial Relations Act, 1996 (NSW)* to prevent and eliminate discrimination in the workplace on the grounds of race, sex, marital status, disability, homosexuality, transgender identity and age.

It is recognised that it is unlawful to victimise an employee because the employee has made or may make or has been involved in a complaint of discrimination or harassment.

Accordingly, in fulfilling their obligations under the dispute resolution procedure, the parties must take all reasonable steps to ensure that neither the agreement provisions nor their operation are directly or indirectly discriminatory in their effects.

Nothing in this clause is to be taken to effect:

- (a) any conduct or act which is specifically exempted from anti-discrimination legislation,
- (b) offering or providing junior rates to persons under 21 years of age,
- (c) any act or practice of a body established to propagate religion which is exempted under Section 56(d) of the *Anti-Discrimination Act 1977 (NSW)*,
- (d) a party to this agreement from pursuing matters of unlawful discrimination in any State or Federal jurisdiction.

23. Drugs and Alcohol

Where a plant manager, after investigation, feels that an employee's health had deteriorated to the point where they are unable to carry out their normal duties effectively or they are deemed to be a danger to themselves or

other employees, he may suspend the employee and request the person to attend a doctor's surgery for a blood alcohol or drug test before being allowed to continue work.

Repeated presentation to work affected by alcohol or drugs shall lead to disciplinary action and ultimately to dismissal.

Employees found consuming alcohol or drugs at work shall be dismissed for misconduct.

24. Signatories

As an indication of their acceptance of the terms and conditions of this agreement, the parties have placed their signatures below.

Signed for
The Austral Tile Company Pty Limited

John Giffen
(Print Name)

17 / 06 / 04
Date

Signed for
The Federated Brick, Tile and Pottery
Industrial Union of Australia (NSW Branch)

A Sawtschuk
(Print Name)

21 / 06 / 04
Date

APPENDIX A

Clothing agreement made between

The Austral Tile Company Pty Limited and employees.

The company agrees to supply to the employees clothing in accordance with the following stipulations.

1. No further claims to be placed on the company for clothing.
2. The clothing issue dates to be April and August of each year (no exceptions).
3. Jackets to be re-issued only every three years.
4. The maintenance of clothing is the total responsibility of the employee.
5. The issue of clothing to employees is to be in line with the following criteria:

Winter	2 long sleeve shirts 2 pairs long pants 1 jacket (every three years)
Summer	2 shirts. 2 pairs shorts or long pants.

- The employees agree to wear the most current issue available which must display its High Visibility characteristics.
- The employees agree to clean all amenities in company time.

APPENDIX B

Wage Rates

- The base rate for all classifications is;

	\$ per week	\$ per hour
From 01 June 2004	561.18	14.77
From 01 July 2005	583.68	15.36
From 01 July 2006	595.46	15.67

Payments above the base rate will be paid in accordance with a Skills Matrix to be introduced in two stages. From 1 June 2004 the rate will be 0.5 cents per skill point and from 1 July 2005 it will increase to 1 cent per skill point. The skill payments combined with the base rate will comprise the employees normal 38 hourly rate of pay for all purposes of the award and this agreement.

- Attendance Bonus

A bonus of \$100 per week will be paid to employee's working a Monday-Sunday work pattern attend work on all four days of their week and for day workers working all five days of their week. Provided that the bonus will be paid where an employee produces a doctors certificate for the first three single day absences in each sick leave year. Provided that the bonus will be subject to indexation at the same rate as wages are increased. i.e. a 4% wage increase equals a 4% increase in the bonus.

- Production/Quality Bonus.

A bonus consisting of 50 cents for each car produced over 44 cars per week and \$5.00 for each 1% of first quality product (packaged) over 85% produced during normal working time.

Example:

$$\begin{aligned}
 &130 \text{ cars produced at } 97.5\% \text{ first quality} \\
 \text{Bonus} &= \$0.50 \times 80 + \$5.00 \times 12.5 \\
 &= \$102.50
 \end{aligned}$$

Provided that the minimum weekly bonus paid to each employee will be not less than \$22.50.

APPENDIX C - MAINTENANCE EMPLOYEES

1. ATTENDANCE BONUS

Current Bonus is \$50 per week. An additional \$50 per week will be paid as follows;

1 June 2004 \$75
 1 June 2005 \$100

2. PRODUCTION BONUS

Currently no bonus is paid.

1 June 2004 50% of production workers bonus
 1 June 2005 100% of production workers bonus

3. TOOL ALLOWANCE

Tool allowance will be paid at the rate of \$15.00 per week. No claim will be made for back pay for the period prior to 1 July 2004. Maintenance employees will supply and maintain all tools necessary to perform their ordinary duties. The Company will provide all necessary power tools, special purpose tools and precision measuring instruments.

APPENDIX D

Skills Payment Matrix

	Weighted -Skills	Category	Award Points
Forklift	2	3	6
Yard Man	1	4	4
Gomes line / Grading	2	5	10
Terracade	2.5	6	15
Certificate 1 Training	3	2	6
Certificate 2 Training	3	2	6
Certificate 3 Training	3	3	9
Robot	3	8	24
Loader and Grinding	3	9	27
Extruder Operator	6	10	60