

REGISTER OF ENTERPRISE AGREEMENTS

ENTERPRISE AGREEMENT NO: EA04/208

TITLE: CSR Limited-Cecil Park Enterprise Agreement 2002

I.R.C. NO: IRC4/3063

DATE APPROVED/COMMENCEMENT: 30 June 2004 / 17 March 2004

TERM: 36 Months

**NEW AGREEMENT OR
VARIATION:** Replaces EA02/208

GAZETTAL REFERENCE: 30 July 2004

DATE TERMINATED:

NUMBER OF PAGES: 11

COVERAGE/DESCRIPTION OF

EMPLOYEES: The agreement applies to all employees of CSR Limited located at Cecil Road, Cecil Park, NSW 2171 engaged in the classifications of Production at the Cecil Park Site who fall within the coverage of the Brick Paver Industry (State) Award

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

CSR LIMITED CECIL PARK ENTERPRISE AGREEMENT 2004 - 2007

1. Title

This agreement shall be known as the "CSR Limited - Cecil Park Enterprise Agreement 2004".

2. Arrangement

Clause No.	Subject Matter
4.	Area, Incidence and Parties Bound
2.	Arrangement
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3. Object of Parties

It is objective of the parties to this Agreement to implement workplace practices so as to provide for working arrangements, which improve the productivity of the Cecil Park plant, enhance job satisfaction and assist positively towards ensuring that CSR Limited becomes a more efficient enterprise.

The company expects to see improvements in performance in the following areas in this Enterprise Agreement.

Safety for all personnel on site

Availability of plant

Quality of product

The parties agree that the objectives of this Agreement are to facilitate:

- a) The development and maintenance of the most productive and harmonious working relationship obtainable;
- b) Non-competing work teams with a commitment to Quality, Flexible Learning and Continuous Improvement

- c) Commitment to improvement of the business, product quality, and embrace a self-monitoring workforce through training and appropriate measurement.
- d) That personnel absenteeism and product quality complaints against this site be used as performance measures for the above a), b) and c), and future Enterprise Agreement negotiations.
- e) Safety improvements in accordance with the latest *Occupational Health and Safety Act*.

4. Areas, Incidence and Parties Bound

This agreement shall be binding upon CSR Limited in respect of its Cecil Park site and The Federated Brick, Tile & Pottery Industrial Union of Australia, NSW Branch (the "Union"), in respect of production employees employed at Cecil Park Site (the "Employees").

5. Dates and Period of Operation

This agreement shall take effect from the first pay period commencing on or after 17 March 2004 and shall remain in force until 17 March 2007.

6. Relationship to Parent Award

The terms of the Brick and Paver Industry (State) Award (the "Award") shall continue to apply to the parties other than to the extent of any inconsistency with the terms of this Agreement.

In the event of inconsistency, the terms of this Agreement shall prevail.

7. Wages

- 7.1 Wage increases will be applied at the rate of 4% from the first pay period commencing on or after 17 March 2004.
- 7.2 A further increase of 4% shall apply from the first pay period commencing on or after the 17th March 2005.
- 7.3 A further increase of 4% shall apply from the first pay period commencing on or after the 17th March 2006.
- 7.4 For the duration of this agreement allowances listed will be increased by the above amounts.
- 7.5 Employees shall not be entitled to and the Unions and Employees agree not to seek any further claim for increased wages or conditions during the lifetime of this agreement.

8. Redundancy

Redundancy provisions will be in accordance with Schedule 1.

9. Operational Flexibility

Overtime, when required, will be offered to the employees who normally work in a particular area before it is offered to a trained person outside that area. This in no way restricts the use of trained people from one area to another area on site.

The company and employees agree that it is in both their interests to maintain the greatest flexibility with regards to the operation to ensure smooth and continuous supply of product to the customer. This is without limitation to the tasks but with due consideration to safety and the skill levels that employees have obtained. The spread of normal hours will be extended from 6am to 6pm.

* By mutual agreement between the company and an employee, the employee may substitute an 8 hour break for a 10 hour break, should operational requirements necessitate that overtime is required to be worked at short notice.

* Flexibility in manning levels and work areas will be reviewed in all areas subject to changing business demands, available skills and changes to process.

Business demands will fluctuate and employees will work with the company in determining the best roster and labour coverage to meet business requirements.

It is agreed that there will be a commitment to time keeping. This will be as per agreed hours of work with changes taking place on the job - machines don't stop.

10. Loading of Product

It is agreed that self-loading of trucks can take place by truck drivers approved to do so by the company (CSR) between the hours of 6pm and 6am. Any such driver will be required to hold the appropriate licenses and conform to all safety policies of the company. The primary function of this clause is to increase our market share both local and interstate by providing superior customer service at no extra cost to the company (CSR) and in no way is it designed to erode the existing working conditions of our employees. The approved truck drivers will self-load only if the yard forklift driver is unavailable due to loading another vehicle or has finished his shift.

11. Public Holiday

All employees have a commitment to maintain normal kiln push rate over a week's production, and when a public holiday occurs, the overtime rate of pay shall be at double time for any overtime worked plus the paid day in lieu of the public holiday.

The Christmas and New Year period is not included in this commitment. However in extreme circumstance employees may be asked to work.

12. Shift Roster

All shift arrangements and structures will be reviewed with the aim of improving operational efficiency or product quality on an ongoing basis through the Business Improvement Team with the view to identifying and implementing new structures that are equitable to both the company and employees.

13. Skills Matrix

The Cecil Park Production facility consists of six (6) areas: Clay Preparation, Crushing, Factory 1, Factory 2, Yard and Kiln. Each of the five areas is broken down into specific work sections. These areas and sections are described in the skills matrix below.

Clay Preparation	Factory 1	Factory 2	Yard	Kiln
Raw Materials FEL Dump truck Water truck	F1 Extruder F1 Setter	F2 Extruder F2 Setter	F1 Unloading F1 Loading F2 Unloading F2 Loading	Kiln 1 Kiln 2 Kiln 3
Crushing				
Production FEL				
F1 Wet Pan				
F2 Crusher				

Each of the sections within an area require operators to be trained in all aspects of operation, safety and quality which can be demonstrated by a site specific competency test. The aim is that each production shift has at least two operators skilled B+ or better.

Production employees will be classified as follows:

A	General Hand	An employee who cannot operate a work section without support.
B	Machine Operator	An employee who has demonstrated the competency to operate a work area.
B+	Machine Operator	An employee who has demonstrated the competency to start-up and shut-down a work area.
C	Skilled Machine Operator	An employee who has demonstrated the competency to operate in two work areas.
D	Highly Skilled Operator	An employee who has fulfilled the requirements of a Skilled Machine Operator and has completed a site approved training course.
E	Trade Qualified Operator	An employee who has demonstrated the competency to operate in two areas of plant and has completed certificate/trade qualification, which is relevant to the operation of the site.

There is an undertaking during this agreement that a review will be completed to review competencies required and training required to ensure the correct skill levels.

The agreement is to increase current skills in line with processes and needs of the business. This will include review of current skill matrices and multi skilling structures to include general skills and competency levels. No employee will suffer a re-grade down as a result of this review. The review will be a consultative approach between employees and the company.

There will be no demarcation arising from new skills and their use.

CSR will pay for successful completion of training agreed as in line with the needs of the business.

14. Meals

Where an employee has to work back for more than four (4) hours beyond normal finish time without notice, the company will arrange a meal. Where this is not practical, appropriate alternate arrangements, such as leaving the site to purchase a meal, shall be arranged through the appropriate person in authority at that point in time. The intent of this provision is to cover exceptional circumstances. This provision operates in conjunction with the meal allowance provision of the Brickmakers and Assistants (State) Award.

15. Shift Allowance

It is agreed that shift allowances will be increased in this Agreement.

Shift Allowance for employees working 12hr rotating day/night shift system, Monday to Friday will be as follows:

10% per shift from 1 March 2004

12.5% per shift from 1 March 2005

15% per shift from 1 March 2006

Shift Allowance for employees working 8 hr rotating day/afternoon/night shift system, Monday to Friday will be as follows:

From 1 March 2004 - 0% days, 10% afternoon, 10% night (average across cycle = 6.67% per shift)

From 1 March 2005 - 0% days, 12.5% afternoon, 12.5% night (average across cycle = 8.3% per shift)

From 1 March 2006 - 0% days, 15% afternoon, 15% night (average across cycle = 10% per shift)

Shift Allowance for employees working 8hr rotating day/afternoon shift system, Monday to Friday will be as follows:

From 1 March 2004 - 0% days, 10% afternoon (average across cycle = 5% per shift)

From 1 March 2005 - 0% days, 12.5% afternoon (average across cycle = 6.25% per shift)

From 1 March 2006 - 0% days, 15% afternoon (average across cycle = 7.5% per shift)

Shift Allowance for employees working 8 hr permanent afternoon shift, Monday to Friday will be as follows:

From 1 March 2004 - 10% per shift

From 1 March 2005 - 12.5% per shift

From 1 March 2006 - 15% per shift

Shift Allowance for employees working 8 hr permanent night shift, Monday to Friday will be as follows:

From 1 March 2004 - 10% per shift

From 1 March 2005 - 20% per shift

From 1 March 2006 - 30% per shift

16. Sick Leave

It is agreed that employee and Company representatives will continue to discuss and implement, where agreed, measures designed to reduce the level of absenteeism due to sick leave. Any agreed measure involving incentive payments must be at least cost neutral to the Company.

It is agreed that Sick leave accumulation will be on the pay slip or advised to employees monthly

17. Dust Reduction Improvement Team

Both the Company and its employees are committed to improving the work environment at the Cecil Park site. It is agreed by the parties that an improvement team will be formed to examine, recommend and implement dust reduction measures in the workplace. All employees will comply with agreed improvement initiatives.

18. Quality Monitoring

It is agreed that the company employees will perform quality tests as part of their work duties, and record the test results on work sheets provided, and ensure that any quality signs in their area are maintained in good condition.

The list of duties are specified in areas:

Front-end loader operator:

Stockpile test patties - operator to make up sample patties and fire in the lab kiln, with each new stockpile of material arriving on-site.

Crusher Operator:

Stockpile Labelling - operator to keep stockpile signs readable

Moisture Content - operator to take sample from each ground stockpile and measure and record the % moisture content on the work sheet provided, and make a test patty and fire it in the lab kiln.

Particle size - operator to take sample from each ground batch and measure and record the 600-mesh weight on his or her work sheet.

Extruder Operator:

Moisture Content - operator to take brick off the line and measure and record the % moisture.

Brick Dimensions - operator to take brick off the line and measure and record the brick dimensions.

Particle size - operator to take sample off the column and measure and record the particle size distribution.

Setting Machine Operator

Moisture Content - operator to take brick off the line and measure and record the % moisture.

Brick Dimensions - operator to take brick off the line and measure and record the brick dimensions.

Yard Operators:

Marking of Top & Bottom Packs - operator to clearly mark the top and bottom packs with black marker pen or black crayon.

Brick Dimensions - a designated yard operator is to measure brick dimensions and record the results on their work sheet.

Shift Leaders:

Shift Leaders are to continue to organise cover for operators away on sick leave, and also collect, check and sign off that all production sheets have been completed correctly. These are to be then forwarded on to the PRODUCTION MANAGER.

19. Grievance Procedure

The procedure for the resolution of any industrial disputation will be in accordance with section 185 of the *Industrial Relations Act 1991*. These procedural steps are:

1. The employee is required to notify (in writing or otherwise) CSR as to the substance of the grievance, request a meeting with CSR as to substance of the grievance, request a meeting with CSR for bilateral discussions and state the remedy sought.
2. 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.
3. Reasonable time limits must be allowed for a discussion at each level.
4. At the conclusion of this discussion, CSR must provide a reasonable response to the employee's grievance, if the matter has not been resolved, including reasons for not implementing any proposed remedy.
5. While a procedure is being followed, normal work must continue.
6. The employee may be represented by an industrial organisation of employees.

b) Procedure for a dispute between CSR and employees:

1. 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.

2. Reasonable time limits must be allowed for discussion at each level of authority.
3. While a procedure is being followed, normal work must continue.
4. CSR may be represented by an industrial organisation of employers and the employees and the employees may be represented by an industrial organisation of employees for the purpose of such a procedure.

20. Bargaining Framework

The next Agreement between the parties will be concluded in accordance with the framework set out at Schedule 2.

21. Salary Sacrifice of Superannuation Contributions

- a) Remuneration payable under this agreement may be made up entirely of wages or, at the option of an employee (other than a casual employee) and subject to the employer's agreement, wages and a superannuation contribution to the CSR Australian Superannuation Fund or the Monier PGH Superannuation Fund as appropriate. Wages and Superannuation are the two components which will make up remuneration. The sum allocated to each component will be negotiated initially between the employer and the employee and thereafter renegotiated in accordance with this clause.
- b) Should the employer make a superannuation contribution in accordance with this clause, it shall not, to the extent of that contribution, be liable to pay wages to the employee under this agreement or applicable award.
- c) The opportunity for an employee to initially negotiate the components of remuneration as per a) above shall be in accordance with procedures determined by the employer and may only be changed during the period specified in accordance with procedures established by the employer. d) Thereafter, the opportunity to renegotiate with the employer the components of remuneration as per a) above shall be available once a year at a time and in accordance with procedures determined by the employer, and may only be changed during the period specified in accordance with procedures established by the employer.
- d) In the event that changes in legislation, the Income Tax Assessment Act, tax office rulings or determinations remove or alter the company's capacity to maintain the salary sacrificing arrangements pursuant to this agreement, the company will be entitled to withdraw from these arrangements by giving notice to each affected employee.
- e) Employer and employee contributions to the CSR Australian Superannuation Fund or the Monier PGH Superannuation Fund shall be adjusted at the time any remuneration increase is received by the employee.

22. Machine Care

It is agreed that the equipment condition is critical to business success and there will be a commitment to caring for equipment by all employees. Legal, Logical and Safe will be the fundamental principle in determining tasks undertaken.

This will extend to improvement to equipment and plant condition via regular documented checks and cleaning of machinery.

To allow this to occur identification of agreed machine care tasks must occur in consultation between employees and the company.

Machine care will include minor maintenance, within employee skill base and it would also include simple lubrication by production personnel. This will be through development of agreed lists and provision of the appropriate training.

A CSR management and employee group will agree the nature of the tasks.

23. Housekeeping

It is agreed that it is the interest of employees and the company that regular attention be paid to housekeeping and cleaning of the yard / production / workshop areas by all employees. Many areas can be cleaned safely while plant is operating. Housekeeping standards need to be maintained for safety including storage of tools, parts, leads, hoses and waste material.

24. Safeworking

Employees will strive to work safely within the work systems at Cecil Park. They will commit to document and assess risks in the plant and submit them to management for prioritised action.

25. Union Picnic Day

It is agreed that Union picnic day is for union members only in accordance with the award. To allow this a list of members is to be provided to management at least 1 week prior to the planned day.

26. Payroll Deduction

The Company will continue to provide the opportunity for deductions for union contributions from the payroll, and remit to the Union monthly.

SCHEDULE ONE

REDUNDANCY PROVISIONS

1. 5 weeks notice of redundancy, or payment in lieu if notice is not given.
2. Annual leave + 17.5% loading on entitlement and pro rata leave, plus shift allowance.
3. Long service leave in accordance with legislation.
4. Superannuation in accordance with trust deed and rules.
5. Payment as follows:

ENTITLEMENT IN WEEKS

	Under 45 Years of Age	Over 45 Years of Age
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	2.5 weeks for each year of service following completion of year 1	17.5
6 years and less than 8 years		20
8 years and over		2.5 weeks for each year of service following completion of year 1

Note: Payment of 2.5 weeks for employees under 45 after 5 years and over 45 after 8 years are made in place of, and not in addition to, the 12 and 20 weeks, which appear above. A week's pay shall be as defined in the award under Clause 1.5.6 Ordinary Wage.

Assistance

1. Assistance in Preparation of Resume and Arranging Contact With Employment Agencies (Ces and Others).

2. Counselling for interview technique.
3. Contact other employer groups.
4. Paid time off to attend interview.
5. Certificate of service, and acting as a referee for prospective employers.

Sick Leave. Untaken sick leave in excess of 125 hours to a maximum of 250 hours will be paid to an employee who is made redundant.

Where as a consequence of the sale or transfer of a business or a corporate restructuring an employee is offered a new contract of employment with the related or successor company on no less favourable terms and conditions of employment than the existing one, and providing for continuity of service with the employer, the provisions of this clause shall not apply to the employee.

SCHEDULE TWO

CSR LIMITED - and - BTPU; AMWU

1. Timetable

- 1.1 The members of the Enterprise Agreement Negotiating Committee (the "Committee") will meet, confer and negotiate with the aim of concluding agreement within a three-month time frame commencing 17 December 2006.
 - a) Meetings of the Committee will take place on a fortnightly basis;
 - b) The meetings will be of two hours' duration commencing at 1:00pm and concluding at 3:00pm on each of the relevant dates;
 - c) The duration of the above meetings may be extended and additional meetings held only with the mutual consent of the parties;
 - d) The company will record the main points of discussion at each of the meetings and provide copies of these notes to each member of the Committee prior to the next meeting.

2. Agenda for Negotiations

- 2.1 The parties will table written agendas for their negotiations at the first scheduled Committee meeting.
- 2.2 All members of the Committee will make a genuine attempt to negotiate all items on the tabled agendas and will ensure that they have sufficient authority from the company and the unions respectively to carry out meaningful bargaining in relation to all agenda items.
- 2.3 Neither party will add to the agenda items tabled at the first meeting other than in special circumstances and on reasonable grounds.
- 2.4 The first meeting of the Committee should include discussions on disputes avoidance, consultation provisions and a review of the tabled agendas. The parties will place common agenda items on a single agenda.

3. Draft Agreement

- 3.1 The company will prepare a draft agreement and issue it to members of the Committee as a working document.
- 3.2 The draft agreement will be in standard Commission format and will include suggested versions of the necessary clauses including period of operation, parties bound, disputes avoidance and consultation.

4. Progress Reports

- 4.1 Progress reports made to meetings of the entire Cecil Park workforce will be made by members of the Committee (including management representatives) during the course of the negotiating period. This will generally involve one meeting per fortnight dependent upon developments in negotiations. The meetings will normally be held in the canteen and will be of half hours' duration. The company will meet payment in relation to these meetings.

5. Information

- 5.1 The parties will share information relevant to items on the negotiating agenda with the aim of enabling both parties to understand the rationale for any position being put forward during the course of Committee meetings and assisting negotiations to take place on an informed basis.

6. Single Voice

- 6.1 Whenever practicable, the parties will during the course of the Committee meetings present a single position on the part of the company on the one hand and of all unions on the other in respect of any agenda item for negotiation. To this end, officers of the company and union representatives on the Committee will attempt to come to the meetings with agreed company and union positions respectively concerning relevant agenda items for discussion.

7. Conduct During Negotiation

- 7.1 All persons participating in negotiations will refrain from any abusive language or other abusive behaviour during the course of the negotiations and will generally treat all participants in the meeting with mutual respect.

8. Processing Agreement

- 8.1 As soon as agreement is reached between the parties, the company and all unions will use their best endeavours to ensure that the relevant agreement is signed by all parties, and brought before the Commission for approval with all necessary supporting documentation, as soon as possible.

9. Compliance

- 9.1 The parties acknowledge that as part of good faith bargaining they shall use reasonable endeavours to ensure that they:
- a) Comply with the terms of this bargaining framework throughout the bargaining time frame.
 - b) Bring any impasse in negotiations, which cannot be reasonably resolved within the Committee before the Commission immediately with a view to seeking the Commission's assistance in resolving the matter via conciliation, but only after following all steps in the grievance procedure.

SCHEDULE THREE

Rates of Pay

Following are the rates of pay which will apply for the duration of the agreement -

The base rates for 38 ordinary hours are as follows:

	CURRENT RATE	RATE FROM 17/03/04	RATE FROM 17/03/05	RATE FROM 17/03/06
	\$	\$	\$	\$
DIVISION A	632.84	658.15	684.48	711.86

DIVISION B	674.73	701.72	729.79	758.98
DIVISION B+	681.73	709.00	737.36	766.85
DIVISION C	688.84	716.29	744.94	774.74
DIVISION D	711.76	740.23	769.84	800.63
DIVISION E	777.91	809.03	841.39	875.04

These wage rates include over-award payments and the increases have been paid on those over-award payments.

Allowances

	CURRENT RATE	RATE FROM 17/03/04	RATE FROM 17/03/05	RATE FROM 17/03/06
	\$	\$	\$	\$
Travel	2.9	3.02	3.14	3.26
Meal	7.1	7.38	7.68	7.99
First Aid (per week)	8.5	8.84	9.19	9.56

Executed by the parties as an Agreement

Signed for and on behalf of
CSR LIMITED

Signature

Michael Travers

Name

Date _____ 06 / 04 / 04

Signed for and on behalf of the
The Federated Brick, Tile & Pottery Industrial Union of Australia, NSW Branch

Signature

Trevor Melksham

Name

Date _____ 07 / 04 / 04