

**REGISTER OF
ENTERPRISE AGREEMENTS**

ENTERPRISE AGREEMENT NO: EA04/30

TITLE: CSR Limited - Horsley Park Maintenance Enterprise Agreement

I.R.C. NO: IRC3/6258

DATE APPROVED/COMMENCEMENT: Approved 17 November 2003/Commenced 4 July 2003

TERM: 36

**NEW AGREEMENT OR
VARIATION:** Replaces EA01/296

GAZETTAL REFERENCE: 13 February 2004

DATE TERMINATED:

NUMBER OF PAGES:

COVERAGE/DESCRIPTION OF

EMPLOYEES: The agreement applies to all permanent maintenance employees (Divisions A-D), excluding contract maintenance personnel, employed by CSR Limited - Horsley Park, located at Old Wallgrove Rd, Horsley Park NSW, who fall within the coverage of the Metal, Engineering and Associated Industries (State) Award

PARTIES: CSR Limited -&- The Australian Workers' Union, New South Wales

1. Title

This agreement shall be known as the CSR Limited - Horsley Park Maintenance Enterprise Agreement.

2. Arrangement

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3. Parties Bound

This agreement is between CSR Limited - Horsley Park (the Company) and the Australian Workers Union, New South Wales Branch (the Union) and the permanent maintenance employees of the Horsley Park site. This agreement does not cover contract maintenance personnel employed at the site.

4. Spirit of the Agreement

This agreement has been reached through a consultative process involving the Company and the maintenance employees at the site.

- (i) To co-operate to ensure the profitable, efficient and ongoing operations of the Horsley Park site.
- (ii) To achieve our mission of providing the highest possible levels of customer service, support for our people and relentless improvement in all aspects of this business.
- (iii) To develop and maintain a workplace that encourages and facilitates teamwork, personal and professional development and personal responsibility by involvement in all aspects of this business.
- (iv) To provide employees with competitive wages and benefits.
- (v) That the Company recognises the stake all employees have in the performance of the business and will ensure that there is frequent and open communication of the business results. The employees agree to maintain the confidentiality of all business information.

- (vi) All employees understand the need to ensure maximum flexibility in all tasks and operations. The only limitations on this will be the safety and skill levels of the employees.

5. Date and Period of Operation

This agreement shall take effect from 4 July 2003, and remain in force for a period of three (3) years.

6. Relationship to Parent Award

The terms and conditions of the Metal Engineering and Associated Industries (State) Award shall continue to apply as applicable to the parties other than to the extent of any inconsistency with the terms of this agreement. In the event of any inconsistency the terms of this agreement shall prevail.

7. Operational Flexibility

It is agreed that it is in the best interests of both the Company and all employees to maintain the greatest possible flexibility with regard to Company operations and to strive to ensure smooth and continuous supply of product to the customer.

Operational flexibility includes but is not limited to -

- (i) staggered start and stop times to suit production;
- (ii) provide shift cover on Public Holidays and Picnic Days;
- (iii) flexibility in covering other shifts to best utilise the maintenance skills and minimise the use of contractual labour;
- (iv) to work with production and other trades to minimise downtime, that is "all hands on the job";
- (v) to work agreed extra hours during shut-down period;
- (vi) to work a suitable level of overtime to maintain continuous operations;
- (vii) to work a shift structure that would best suit the efficiencies of production. All employees will give a commitment that they will assist in establishing the most suitable shift coverage for production through a process of consultation.

8. No Demarcation

The basic principle of the agreement is to ensure a flexible and productive enterprise focussed on continual improvement. For this reason, and providing for the health and safety of all employees at the Horsley Park plant, the employees shall in no way observe, impose or enforce any demarcation between themselves and any other personnel on site.

For this agreement to operate as it is intended, every employee shall be willing to perform any task for which they have the skills and appropriate training.

9. Operating Machines

The maintenance employees agree to be trained on key site machines and equipment.

- (i) Test running of machines after maintenance activities.
- (ii) To cover non-attendance of a normal operator. The Company will endeavour to use normal operators on machines; however at times whereby a normal operator is not available, then the maintenance employee will be expected to operate the machine. All normal rates of pay will be maintained.
- (iii) To run machinery in normal production times in conjunction with the BTPU operators to fault find.

10. Meal Breaks

Agree to stagger meal breaks to ensure that there is sufficient maintenance coverage of the plant during production.

Agree to carry out maintenance activities during the machine operators' meal break to minimise downtime.

11. Contractors

Contractors have historically been used at Horsley Park for specialty skill areas and to take on additional load duties as required. The maintenance employees agree to work along side any contractors, without prejudice, as required.

The company will give the commitment that preference for work will be given to a permanent maintenance employee if they have the suitable skills and experience over that of the contractor.

12. Overtime

The nature of maintenance activities at Horsley Park means that overtime is typically available but is not guaranteed.

The Company is committed to cost minimisation.

In situations where overtime is required, then it is at the Company's discretion to cover the work using available labour on site, whether permanent maintenance employee, contractors available on site at the time, or machine operators (subject to skills) in order to minimise the cost of overtime.

13. Machine Maintenance

The Company is committed to multi-skilling its workforce.

The Company has embarked on a program of skilling the machine operators to carry out minor maintenance and adjustment as part of their normal machine operation. This will allow the maintenance team to be better used on activities that require a skilled tradesman.

The maintenance team members are to assist with the skilling of machine operators in the basic adjustments and minor maintenance activities when called upon.

14. Travel Allowance

The Company will pay a daily travel allowance to those covered by this agreement equivalent to that paid to other employees on the site.

15. Occupational Health and Safety

It is recognised that Occupational Health and Safety is paramount to good business practice at Horsley Park and that management and ALL employees work to achieve all site and statutory standards of health and safety. It is agreed by the parties that the Horsley Park site will be a non-smoking area.

16. Quality Assurance

The Company is currently implementing Quality Assurance throughout the sites so as to remain customer focussed.

A commitment is given by all employees to be part of this program.

This will involve, but is not limited to, some operators;

filling out paperwork;

helping to develop written procedures;

being a part of team improvement.

17. Commitment to Improvement and Measurement

The Company is committed to customer focus and improvement of the business and product quality through performance and measurement.

Likewise, a commitment is given by employees to embrace these concepts and be active in assisting measurement of all parts of our process and to quality.

18. Training

The Company is committed to providing employees with every opportunity to further their skills and develop their careers. The Company will encourage and support employees to further their training and education, and will provide specific training programs to assist. These programs will be concentrated on customer service, plant reliability, quality management, technical and product application knowledge.

1. External Training

Training that is relevant to the business will be supported by the Company. All text books and course fees shall be paid for by the Company as detailed in the CSR Personnel Policies and Procedures Manual.

Agreed seminars, short courses and personal development courses will be paid for by the Company.

New employees coming into Horsley Park will experience a suitable induction and orientation period designed by the present employees and their support team.

All Company-paid external training is at the discretion of the site manager.

2. Internal Training

There is a commitment by both the Company and its employees to multi-skilling and training of employees.

Opportunities for up-skilling will be provided where practicable and at the discretion of the needs of the business, to enable employees to develop more skills necessary for progress through higher classifications.

Skills will be competency based, consistent with the business needs and enhance the development for the productive and harmonious working relationship whilst striving for maximum job satisfaction and security. For internal skills a competency-based test will be developed by the Consultative Committee and will be carried out annually by a suitable skilled employee and a support staff member.

During the life of this agreement the present multi-skilling payment and structure will remain in place. However a commitment is made to examine the current system and introduce changes that will improve the multi-skilling system.

Changes to the multi-skilling system will not increase the overall payroll level. Any changes to the current system will be facilitated by the consultative committee.

3. Skills-based Training

All operators who undertake skills-based training (e.g. Email courses) will be expected to use these skills to complement their operational duties.

4. Multi-skilling Grading System

Throughout the life of this agreement the Company and maintenance team will give a commitment to develop a reward-based multi-skilling system for consideration in the next Enterprise Agreement upon termination of the current agreement.

19. Responsibilities

Everyone in the Company understands that the operation of teams is fundamental to the success of this business. The prime responsibility of each team is to deliver quality products and services without defects.

A defect is defined as any waste, non-155-quality product, packaging errors, delivery errors, information errors, etc.

Each team will understand who its internal and external customers are and what is important to them. Furthermore, each team will display their current KPI's (Key Performance Indicators) reflecting the services they give their customer.

20. Redundancy Provisions

Payment for employees who are made redundant shall be as follows

	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
7 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 : Payments of 2.5 weeks for employees under 45 after 7 years and over 45 years after 8 years are made in place of, and not in addition to, the 16 and 20 weeks which appear above.

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. This provision is to be reviewed during negotiations for the next agreement.

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

21. Grievance Procedure

These procedural steps are:

Procedure in relation to a grievance of an individual employee

- (a) The employee is required to notify (in writing or otherwise) CSR as to the substance of the grievance, and request a meeting with CSR for bilateral discussions and state the remedy sought.
- (b) 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.
- (c) Reasonable time limits must be allowed for a discussion at each level of authority.
- (d) 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.
- (e) While a procedure is being followed, normal work must continue.
- (f) The employee may be represented by an industrial organisation of employees.
- (g) If the grievance is not resolved by negotiation the matter may be referred to the Industrial Relations Commission of New South Wales for resolution.

Procedure for a dispute between CSR and employees:

- (a) A question, dispute or difficulty must initially be resolved as close to its source as possible, with graduated steps for further discussion and resolution at higher levels of authority.
- (b) Reasonable time limits must be allowed for discussion at each level of authority.
- (c) While this procedure is being followed, normal work continue.
- (d) CSR may be represented by an industrial organisation of employers and the employees may be represented by an industrial organisation of employees for the purpose of such a procedure.
- (e) If the dispute is not resolved by negotiation the matter may be referred to the Industrial Relations Commission of New South Wales for resolution.

22. Wages

Under the terms of this agreement the wage rates including over-award payments and bonuses will be increased as follows -

4% from 4 July 2003
 4% from 4 July 2004
 4% from 4 July 2005.

New wage rates pertaining to these increases are set out in Appendix 'A' attached.

The employees shall not be entitled to, and agree not to, seek any further claim for increased wages and conditions during the lifetime of the agreement.

23. Superannuation - Salary Sacrifice

- (a) Remuneration as detailed in 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 employers agreement, wages and a superannuation contribution to the CSR Australian Superannuation Fund (ADD "or the Monier PGH Superannuation Fund if relevant). Wages and Superannuation are the two components which eill make up remuneration. The sum allocated to aeach 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. 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 (ADD "or the Monier PGH Superannuation Fund" if relevant) shall be adjusted at any time any remuneration increase is received by the employee.

24. 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 exempt 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 exempt 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

25. Declaration

The parties declare that this Agreement:

- (i) is not contrary to public interest;
- (ii) is not unfair, harsh or unconscionable;
- (iii) was at no stage entered into under duress; and
- (iv) reflects the interests and desires of the parties.

Signed for CSR LIMITED

Signature

Name (please print)

Signed for the AUSTRALIAN WORKERS UNION NEW SOUTH WALES BRANCH

Signature

Name (please print)

APPENDIX A

The following is the weekly rates of pay to apply during the life of the agreement

	AWARD RATE \$	CURRENT RATE \$	4% INCREASE 4 July 2003 \$	4% INCREASE 4 July 2004 \$	4% INCREASE 4 July 2005 \$
DIVISION A	525.20	638.92	664.47	691.05	718.69
DIVISION B		650.42	676.43	703.49	731.62
DIVISION C		661.28	687.73	715.24	743.85
DIVISION D		675.33	702.34	730.43	759.65

The above rates are based on the following percentages:

Division A	100%
Division B	101.8%
Division C	103.5%
Division D	105.7%