

Registered
Enterprise Agreement
Industrial Registrar

ENTERPRISE AGREEMENT

NO. EA 98/189
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DATE REGISTERED 19.6.98
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PRICE \$ 19
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**REGISTER OF
ENTERPRISE AGREEMENTS**



ENTERPRISE AGREEMENT NO : EA98/189

TITLE: Henkel Adhesives (NSW) (Enterprise Agreement) 1998

I.R.C. NO: 98/2743

DATE APPROVED/COMMENCEMENT: 19 June 1998

TERM: Expires 1 October 1999

**NEW AGREEMENT OR
VARIATION:** New

GAZETTAL REFERENCE:

DATE TERMINATED:

NUMBER OF PAGES: 7

COVERAGE/DESCRIPTION OF

EMPLOYEES: Applies to all employees who are engaged in any of the occupations, industries or callings specified in the Starch Manufacturers (State) Award.

PARTIES: Henkel Adhesives (NSW) -&- National Union of Workers, New South Wales Branch



**HENKEL ADHESIVES (NEW)
(ENTERPRISE AGREEMENT)
1998**

Register of
Enterprise Agreements
Industrial Relations

1. **TITLE**

This Agreement shall be referred to as the Henkel Adhesives (NSW) (Enterprise Agreement) 1998.

2. **ARRANGEMENT**

Application of Agreement
Arrangement
Parties Bound
Period of Operation
Relationship to Parent Award
Terms of Agreement
Title

Clause

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3. **APPLICATION OF AGREEMENT**

This Agreement shall apply at Henkel Adhesives (NSW) in respect of all employees who are engaged in any of the occupations, industries or callings specified in the Starch Manufacturers (State) Award.

4. **PARTIES BOUND**

- a. Henkel Adhesives (NSW) and its employees who are members of who are eligible to become members of an organisation listed in sub-clause (b) of this clause and who are engaged in any of the occupations, industries or callings specified in the Starch Manufacturers (State) Award.
- b. The organisations of employees listed below and their members thereof respectively –

National Union of Workers (NSW BRANCH).

5. **PERIOD OF OPERATION**

"This Agreement shall take effect on the date it is registered and operate from the first full pay period on or after it is registered and remain in force until 1 October 1999."

6. **RELATIONSHIP TO PARENT AWARDS**

This Agreement shall be read and interpreted wholly in conjunction with the Starch Manufacturers (State) Award provided that where there is any inconsistency this Agreement shall take precedence over the Award to the extent of the inconsistency.



7. TERMS OF AGREEMENT

- a. The parties agree that the objectives of this Enterprise Bargaining Agreement shall be:
- to be an efficient low cost producer of industrial adhesives.
 - the production of the highest quality product with a reduction in and elimination of rejects and rework and the maximisation of batch yields.
 - the development and support of a motivated, skilled, flexible and adaptable workforce.
 - the removal of inefficient provisions in all functions associated with the production of industrial adhesives.
 - to work towards the achievement of International Best Practice procedures and to continue to build on the AS3902 certification once achieved.
 - to enhance and increase our competitive position in the market through the further development of a culture of excellence and quality of service to our customers.

This agreement represents a larger process of the development of these objectives.

b. **Wage Increase**

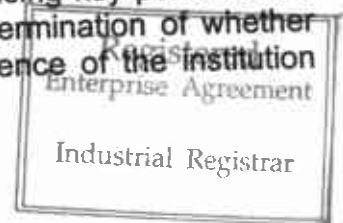
A number of efficiency measures have already been instituted as a result of joint negotiation and cooperation and the Company is already receiving benefits from these. In view of this an increase to the weekly all purpose wage rate is to be awarded as follows:

- (i) 5% effective from the date of ratification of this Agreement
- (ii) A further minimum wage increase twelve (12) months from the ratification of this agreement based on a productivity improvements achieved in excess of the amount awarded under (1) above as outlined but not limited to the savings listed in Appendix 1 of this Agreement. The parties to this agreement will work closely together to achieve a level of measured savings and improvements which will result in a minimum wage increase of 5% at this review period.

These will be the only increases during the life of the Agreement.

"The increases provided in this clause shall be applied to an employees weekly all purpose rate of pay. The all purpose rate of pay shall mean the employees award rate plus over award payment. The rate of pay after the increase for each employee party to this agreement is recorded in written form in the wages record of the Company which will be maintained at the Company's office. A new employees ordinary pay will be at a minimum the employees shop rate plus the increase".

- (iii) Productivity improvements as defined in Clause 7bii shall be all such measures and activities that increase output, reduce identifiable costs and shall be measured using key performance indicators on a historical basis. The determination of whether they are reached shall be as a consequence of the institution and results of Clause 7c,d,e,f.



c. Training

The Company recognises that training is the fundamental vehicle for long term success and is committed to the development of skills and knowledge of its employees both by training and job rotation. This commitment to training will be a joint one with employees, and accordingly, employees who are willing to participate in training will be required to participate in training conducted by the Company or on behalf of the Company.

d. Consultative Committee

The parties agree to support and implement the concepts of a Consultative Committee as a means to improve efficiencies and productivity.

e. Efficiency Improvements

Improvements in the efficient running of the plant, including changes in work practices which bring about savings for the Company, are the responsibility of all members of staff through the institution of the Consultative Committee. The Consultative Committee is composed of two (2) representatives of the Production Work Force (being Union members), the Factory Supervisor (being a Union Member), Production Superintendent, Site Operations Manager. Management and staff will work closely together to achieve ongoing efficiency improvements in the current operations and in the implementation of new processes or work practices. In particular a reduction in absenteeism which is detrimental to production efficiency.

f. **Innovation**

The parties undertake to formulate and implement mechanisms to promote innovation in work practices and efficiency improvements.

g. **Grievance and Avoidance of Dispute Procedure**

The objective of this procedure is to resolve grievances at the lowest possible level (ie: at the source of the grievance) with the least disruption to day to day operations.

- (a) in the first instance, the employees will raise the grievance with their immediate Supervisor.
- (b) if unresolved, the employee and the Supervisor will raise the grievance with the Production Superintendent.
- (c) should the grievance remain unresolved, the employee and the Supervisor will raise the grievance with the Site Operations Manager. As required the services of the appropriate Union official may also be called upon at this stage to assist in the resolution of the grievance. The Company will provide reasonable time for Union officials to communicate with employees at this stage of the procedure.
- (d) if the grievance still remains unresolved, the grievance may be referred to the Industrial Relations Commission.

At each of the first three stages of the above procedure, a response should be given to the employee on the same day as the grievance is raised. If this is not possible, a response must be given within 24 hours. In any event, the parties will be committed to resolving the grievance as soon as possible.

The parties agree that no Industrial action including stoppages, bans or strikes will be taken while grievances are being dealt with in accordance with this procedure. The Company agrees to maintain the status quo while the grievance is being resolved.



APPENDIX 1

Stage 1

1. Yield improvements by:
 - (a) recovery of washings from lines.
 - (b) recovery and recycling of waste waterbased product.
 - (c) recovery and recycling of all hot melt waste.
 - (d) improved production planning to reduce waste.
2. Elimination of wastage of raw materials and containers.
3. Control of packaging waste and waste disposal.
4. Cooperation to reduce overtime worked.
5. Cooperation to reduce absenteeism.



Stage 2

1. Efficiency improvements to reduce the direct labour cost per tonne of production by:
 - (a) work group participation in process review.
 - (b) rostered days off will be taken by all employees on the same Friday once per fortnight.
 - (c) each alternate Friday all mixing vessels will be refilled for packing off the following Monday.
 - (d) housekeeping clean-ups will be progressive during normal operation hours.
 - (e) production operatives shall apply diligence in identifying preventative maintenance items and referring these findings to the Production Superintendent.
 - (f) recycling.
2. Introduction of team oriented quality improvement program using SPC (statistical process control) procedures.

3. Skill enhancement through planned training processes.
4. In recognition of the benefits of Stage 2,1(f) above, a payment of 1/3 of the raw material cost of these savings will be shared equally in respect of all employees as party to the agreement and shall be paid on a monthly basis. Such savings shall be ratified first by the Site Operations Manager, Production Superintendent and the Factory Supervisor or his delegate (being Union members). This specifically excludes any goods that are returned for credit or rework in the normal course of the business operation.

EXECUTED AS AN AGREEMENT
FOR AND ON BEHALF OF
HENKEL ADHESIVES (NSW)
A Division of Henkel Australia Pty Ltd


G. D. BELLAMY



EXECUTED AS AN AGREEMENT
FOR AND ON BEHALF OF THE
NATIONAL UNION OF WORKERS
(NEW SOUTH WALES BRANCH)



FRANK BELLAMY, O.A.M.