

REGISTER OF ENTERPRISE AGREEMENTS

ENTERPRISE AGREEMENT NO: EA05/247

TITLE: **Caroma Industries Limited Central Region Distribution Enterprise Agreement 2005**

I.R.C. NO: IRC5/4258

DATE APPROVED/COMMENCEMENT: 26 August 2005 / 28 February 2005

TERM: 12

NEW AGREEMENT OR VARIATION: Replaces EA04/60.

GAZETTAL REFERENCE: 23 September 2005

DATE TERMINATED:

NUMBER OF PAGES: 10

COVERAGE/DESCRIPTION OF

EMPLOYEES: The agreement applies to all employees employed by Caroma Industries Limited (Central Region) at 121-123 Cowpasture Road, Wetherill Park, NSW (Cowpasture Road) who fall within the coverage of the Storemen and Packers, General (State) Award. Should the enterprise located at Cowpasture Road will relocate to an existing site of the Company at 300, Victoria Street, Wetherill Park (Victoria Street) at which the Caroma Industries Limited, Wetherill Park Enterprise Bargaining Agreement 2005 (Victoria Street Agreement) applies. On relocation of the Cowpasture Road enterprise to Victoria Street, the Victoria Street Agreement will apply to employees from Cowpasture Road and this agreement will cease to apply. The company, however, commits that all employees from Cowpasture Road will not suffer a reduction in their wage rates as a result of the relocation to Victoria Street.

PARTIES: Caroma Industries Limited -&- the National Union of Workers, New South Wales Branch

CAROMA INDUSTRIES LIMITED (CENTRAL REGION) DISTRIBUTION ENTERPRISE AGREEMENT 2005

ARRANGEMENT

Clause No. Subject Matter

1. Title
2. Application
3. Parties Bound
4. Date & Period Of Operation
5. Relationship To Parent Award
6. Objectives Of The Agreement
7. Commitment
8. Consultation
9. No Extra Claims
10. Avoidance Of Industrial Disputes
11. Not To Be Used As A Precedent
12. National Standards
13. Job Security
14. Union Recognition And Membership
15. Occupational Health & Safety
16. Monitoring Of Agreement
17. Future Agreements
18. Smoke Free Workplace
19. Continuous Improvement Plan
20. Induction
21. Hours Of Work

Ordinary Hours

Flexible Hours

Shiftwork

22. Rostered Days Off

23. Multi Skilling Classifications

Classification Level 1

Classification Level 2

Classification Level 2C

Classification Level 3

24. WAGES
25. CASUAL AND AGENCY EMPLOYEES
26. UNION DELEGATE TRAINING LEAVE
27. STOCKTAKES
28. UNION PICNIC DAY
29. CHRISTMAS SHUTDOWN
30. UNIFORMS
31. ANTI-DISCRIMINATION
32. SIGNATORIES
33. Appendix "A"

1. Title

This agreement shall be known and referred to as the Caroma Industries Limited, Central Region Distribution Enterprise Agreement 2005.

2. Application

This Agreement shall apply to all employees who are bound by the terms and fall within the classification structure of the Storeman & Packers General (State) Award employed to work at the site of Caroma Industries Limited (Central Region) (hereafter "the Company") at 121-123 Cowpasture Road, Wetherill Park, NSW ("Cowpasture Road").

It is anticipated that during the nominal term of this Agreement, the Company's enterprise located at Cowpasture Road will relocate to an existing site of the Company at 300 Victoria Street, Wetherill Park ("Victoria Street") at which the Caroma Industries Limited, Wetherill Park Enterprise Bargaining Agreement 2005 ("Victoria Street Agreement") applies. On relocation of the Cowpasture Road enterprise to Victoria Street, the Victoria Street Agreement will apply to employees from Cowpasture Road and this Agreement will cease to apply. The Company, however, commits that all employees from Cowpasture Road will not suffer a reduction in their wage rates as a result of the relocation to Victoria Street.

3. Parties Bound

The parties to this Agreement are:

- (a) the Company; and
- (b) the National Union of Workers, NSW Branch (hereafter "the Union").

4. Date & Period of Operation

This Agreement shall operate from 28th February 2005, the date agreed by both parties and shall remain in force until 27th February 2006.

The shortened period being due to a planned relocation to Victoria Street.

5. Relationship to Parent Award

This Agreement shall be read and interpreted wholly in conjunction with the Storeman & Packers General (State) Award, except that this Agreement shall take precedence to the extent of any inconsistency.

6. Objectives of the Agreement

To achieve real and demonstrable gains in productivity, efficiency and flexibility to improve not only the standard of working life but also the overall performance of all employees with the ultimate aim of improving the Company's competitiveness and consequential improvement in job security.

That all employees take increasing responsibility for quality, productivity and the development of efficiencies compatible with their level of skill, knowledge and training.

7. Commitment

The parties to this Agreement are committed to ongoing discussion and co-operation in order to achieve the aim of this Agreement. The Company is committed to providing sufficient resources to make this achievable.

8. Consultation

The process for the parties to the Agreement to consult each other about matters involving changes to the organisation that affect the performance of workers, shall be by way of the Consultative Committee procedures.

The Consultative Committee will meet on a 3 monthly basis. Members to consist of a minimum of 1 x Union delegate and two staff plus 1 x Caroma Management.

It is the responsibility of the committee to ensure that the objectives of the agreement are monitored and that a concerted effort is made to meet or improve on the KPI's that have been established.

9. No Extra Claims

It is a term of this Agreement that the parties and all employees bound by this Agreement will not pursue any extra wage claims, benefits, award or over award, for the life of this Agreement.

10. Avoidance of Industrial Disputes

The parties to this Agreement shall observe the dispute settlement procedure set out in the Storeman & Packers General (State) Award (Clause 5).

11. Not to Be Used as a Precedent

This Agreement shall not be used in any manner whatsoever to obtain similar arrangements or benefits in any other plant or enterprise.

12. National Standards

This Agreement shall not operate so as to cause an employee to suffer a reduction in ordinary time or in National Standards such as Standard hours of work, Annual Leave or Long Service Leave.

13. Job Security

It is not the intention of the Company, during the life of the Agreement to either contract out functions outlined in the general state award, nor to remove any existing functions from the site.

In the event that the Company gives consideration to any major changes, such as those contemplated in the above paragraph, the Company commits to giving the Union sufficient notice in order to allow appropriate consultation about such possible changes.

14. Union Recognition and Membership

- (a) For the duration of the Agreement Caroma Industries recognises the National Union of Workers (NSW Branch) as being the Union that can, subject to its Rules and Constitution, represent all employees whose terms and conditions of employment are governed by this Agreement.
- (b) It is the policy of Caroma Industries that all its employees subject to this Agreement shall be given the opportunity to join the National Union of Workers (NSW Branch) or any other Union to which the employee is eligible to join.
- (c) Caroma Industries undertakes, upon authorisation, to deduct Union Membership Dues, as levied by the National Union of Workers (NSW Branch) in accordance with its rules, from the pay of employees who are members of the National Union of Workers (NSW Branch) at the beginning of each month together with all necessary information to enable the reconciliation and crediting of subscriptions to members' accounts.

All new employees shall be advised of these matters (14(a), 14(b) and 14(c) above) and shall be introduced to the site NUW Delegates upon being accepted for permanent employment.

15. Occupational Health & Safety

The Company holds in high regard the Health & Safety and general welfare of its employees.

In order to provide a Healthy and Safe workplace the Company will maintain an effective Occupational Health & Safety Management system. All employees agree to participate in and support the program during the duration of this Agreement. The parties agree to participate in:

Training

Timely reporting of injuries

Identification of hazards

16. Monitoring of Agreement

The parties shall continuously monitor the application of the Agreement to ensure the effective implementation of structural efficiency and enterprise bargaining.

17. Future Agreements

The Company reserves the right to enter into future enterprise or productivity agreements. Should the Company decide to exercise this right, the Company agrees to notify all parties to this Agreement of their intention within 3 months (12 weeks) prior to the expiry date of the current agreement.

Any future agreements entered into will consider the impact of all productivity improvements previously implemented together with the impact of any future improvements that are being discussed at the time of the negotiation.

18. Smoke Free Workplace

There is a No Smoking in the Workplace policy in effect in the Company's Distribution Centre. A designated smoking area is provided.

Employees found to be smoking within any part of the distribution centre or associated buildings or at times other than the authorised rest periods will be counselled and officially warned. The lunch room and toilets are part of the building and smoking is prohibited in these areas at all times.

19. Continuous Improvement Plan

Productivity improvements will be measured using established methods.(Appendix A)

- (a) The average hourly output will be measured monthly to provide trends.
- (b) Delivery performance will be measured, based on the Company's policy. The expected performance to be 95% or higher on orders delivered in 48 hours.
- (c) Safety standards should strictly comply with the requirements of the NSW Department of Workplace Health and Safety regulations. Records of accidents and near misses are to be recorded and monitored to provide data on trends. A commitment to continuous improvements and reduced incidence of accidents is the goal.
- (d) The Workplace shall be maintained in a clean and tidy condition at all times. A regular routine of housekeeping is to be developed and checked by means of a list of areas monitored for compliance at regular intervals.
- (e) Multi-skilling of store persons to be sufficient to enable redistribution of tasks, in the event of employee absences.
- (f) KPI's on their own will not be used to terminate employees.
- (g) The Consultative Committee will regularly monitor KPI's.

20. Induction

New permanent employees shall be employed on the basis of a three (3) month probationary period.

New permanent employees will attend an induction session prior to commencing work and will receive a copy of the Caroma Distribution Centres Employee Induction Handbook.

This induction session will include but not be limited to the following:

Overall Organisation Structure of Caroma Industries Ltd

Letter of Appointment - contents explained

Health & Safety Policy

Accidents at Work - The Procedure

Rehabilitation and Return to Work Program

Alcohol & Drug Policy

21. Hours of Work

Ordinary Hours

The ordinary hours of work shall normally be between 6:00am and 6:00pm Monday to Friday inclusive; provided that the spread of ordinary hours may be altered where the company and the majority of employees in the section agree.

Normal hours of work shall be seven (7) hours and thirty six (36) minutes per day. Plus an additional twenty four (24) minutes daily to accrue for a RDO.

Hours of work may be varied on seven days notice or by a shorter period of notice as agreed with employees.

All breaks are to be staggered at mutually agreed times so as not to affect customer service and warehouse security.

Flexible Hours

Recognising that delivery demands are heavily influenced by the structure of the Company's trading terms, the parties agree to negotiate flexible work arrangements from time to time. Where extended hours may be worked without incurring penalty rates and those hours are offset (without penalty) by reduced working hours within an agreed cycle eg one month. This would be by mutual agreement of both parties.

Shiftwork

Normal day shift working hours, including 24 minutes accrual for RDO are:

Monday - Friday	6:00am Start	2:30pm Finish
Tea Break;	10 minutes paid break in the morning.	
Lunch Break;	30 minutes unpaid break.	

Normal afternoon shift working hours, including 24 minutes accrual for RDO:

Monday - Thursday	2:30pm Start	10:40pm Finish
Friday	1:30pm Start	9:40pm Finish
Tea Break;	10 minutes paid break in the afternoon.	
Lunch Break;	20 minutes paid crib break.	
	10 minutes unpaid crib time.	

A shift loading of 15% will be paid to employees rostered on to afternoon shift.

22. Rostered Days Off

RDO's are achieved by working an additional 24 minutes each day above normal hours, this time is accrued until used on the day off.

By mutual agreement, the parties agree that in peak conditions, that an employee may have his/her RDO postponed and accrued. This must be rostered by Management. In addition, RDO's accrued cannot exceed 5, ie at least one RDO must be taken by each employee within a 5 month period.

23. Multi Skilling Classifications

A Multi Skilling classification is to be implemented to recognise those employees willing to take on additional tasks and responsibilities.

New employees will commence at Level 1 and progress to Level 2 etc as training is completed and to satisfy Company needs. The Workplace Consultative committee will undertake to monitor and assess training of employees.

Additional Levels of classification may be introduced as the Workplace Consultative committee determines.

With one exception (Level 2C) all current employees will be recognised as Level 2 on signing of this Agreement. The Workplace Consultative committee will undertake to monitor current employees to address any shortcomings in training.

Level 2C addresses the clerical functions of the Distribution Centre and will be restricted at the Company's discretion as to number of positions available and the training required to satisfy company needs.

Classification Level 1

All new Distribution Centre employees will initially be employed at this level. The length of time a employee will remain at this level will be determined by his/her ability to learn and perform functions to the required level of competency and will normally be for a period not greater than 3 months.

At this level an employee should be capable of performing the following basic functions

Sorting product

Order Assembly

Checking

Replenishment

Basic Cleaning

They should also be

Responsible for the quality of his/her own work and able to understand and satisfactorily complete detailed instructions from his/her supervisor.

Able to work in a team environment to achieve a set goal

Undertake duties in a safe and responsible manner

Capable of maintaining equipment under his/her control in a safe and workable condition

Have the necessary skills and licence to operate one or more of the following

Gas Forklift

Electric (Reach) Forklift

High Rise picker

Electric Pallet Truck

Classification Level 2

This classification initially will cover the majority of distribution Centre employees. Employees in this classification will be trained to be multi skilled in a number of functions within the Distribution centre. Each operator will be given opportunity to learn and become skilled in these functions. Progress of training in each function will be recorded on the individuals Training file.

To be eligible for this classification, employees will be required to be

Able to carry out all duties set out in classification 1

Able to complete and perform duties in multiple areas eg Receiving and Order Assembly., consistently and competently at the benchmark level as developed and monitored by the Consultative Committee.

Perform all functions to a high degree of efficiency eg minimum errors, prevention of damage with limited supervision.

Competent in operating all machinery in an efficient manner, with minimum damage to product, racking or machines

Able to understand and be responsible for basic quality control standards

Classification Level 2C

This classification is restricted to those employees who undertake predominantly clerical functions within the distribution centre.

To be eligible for this classification, employees will be required to be

Able to relate to and understand all functions within the distribution centre

Communicate in a professional manner with Customers and Suppliers

Use and Maintain all types of office equipment eg, PC's, Fax, copiers

Prepare regular reports from computer records

Place orders for supplies eg, Packaging materials, stationery, catering

Handle Petty Cash requirements

Classification Level 3

To be eligible for this classification an employee must be one of the following

- (a) Multi skilled in all functions
- (b) A specialist in a specific area
- (c) Be in a Supervisory capacity eg, a Leading Hand

They must also be capable of displaying the following personal attributes

A high level of interpersonal communication skills which he/she can use to

Communicate instructions

Train staff

Ability to implement Quality control techniques

An appreciation of all aspects of the operation in relation to safety and staff welfare

Accept and be responsible for specific areas or functions within the distribution centre in relation to standards of housekeeping, error rates, product damage, warehouse layouts etc.

Able to converse with customers and suppliers

Able to solve problems as necessary

Advise management of situations which require attention or investigation

24. Wages

The weekly base rates under this Agreement shall be as follows:

Classification	Current	Weekly base rate from 28th February 2005
Storeman - Level 1	\$ 671.84	\$ 727.31
Storeman - Level 2	\$ 689.07	\$ 745.16
Storeman - Level 2C	\$ 723.58	\$ 756.14
Leading Hand	\$ 836.81	\$ 899.55
Forklift Allowance	\$ 24.00	Incl. in base rate

25. Casual and Agency Employees

It is the Company's intent to use permanent employees in preference to Casual hire staff. However, the use of casual hire staff will be determined by management to meet business needs as necessary.

Where casual hire staff are engaged the Company will advise the contractor of the existing Company rates and ensure that this is the basis for payment to casual staff. The hourly rate to be used will be calculated by dividing the appropriate weekly rate by 37.5 plus applying a 15% loading to cover sick leave, public holidays etc. plus a 1/12 payment for annual leave.

26. Union Delegate Training Leave

The Company shall review each request for the elected Union Delegate to have appropriate paid time off for training purposes where it is deemed there is mutual benefit to the employee and the company.

27. Stocktakes

The Company has a requirement to conduct Stocktake counts twice per year. Once at the end of June and again at the end of December.

To meet business needs the Company requires to make attendance at each Stocktake for permanent employees a condition of employment. Payment for these days would be at ordinary rates for the normal day plus the applicable overtime rates for any overtime required to be worked to complete the Stocktake.

28. Union Picnic Day

The designated Union Picnic Day shall for the purposes of this Agreement, be regarded as a holiday

The Union Picnic Day shall be observed on such a day as is agreed between the Company and the Union.

29. Christmas Shutdown

Standard practice of the company is to shutdown for the period between Christmas and New Year ie., from 25h December until 1st January inclusive.

Where this occurs the company reserves the right to roster the non Public Holiday days in this period in the following order.

December RDO
Union Picnic Day
Annual Leave

30. Uniforms

Uniforms will be provided by the Company to all permanent employees.

2 x Shirts, twice per year
1 x Jacket per year
1 x pair Safety Shoes/Work Boots per year
2 x Pants (long or short) twice per year
2 x Pullovers (or similar) in winter allocation

31. Anti-Discrimination

- (i) It is the intention of the parties bound by this agreement to seek to achieve the object in section 3(f) of the *Industrial Relations Act 1996* to prevent and eliminate discrimination in the workplace. This includes discrimination on the grounds of race, sex, marital status, disability, homosexuality, transgender identity, age and responsibilities as a carer.
- (ii) It follows that in fulfilling their obligations under the dispute resolution procedure prescribed by this agreement the parties have obligations to take all reasonable steps to ensure that the operation of the provisions of this agreement are not directly or indirectly discriminatory in their effects. It will be consistent with the fulfilment of these obligations for the parties to make application to vary any provision of the agreement which, by its terms or operation, has a direct or indirect discriminatory effect.
- (iii) Under the *Anti-Discrimination Act 1977*, it is unlawful to victimise an employee because the employee has made or may make or has been involved in a complaint of unlawful discrimination or harassment.
- (iv) Nothing in this clause is to be taken to affect:
 - (a) any conduct or act which is specially exempted from anti-discrimination legislation;
 - (b) offering or providing junior rates of pay 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*;
 - (d) a party to this agreement from pursuing matters of unlawful discrimination in any State or Federal jurisdiction.
- (v) This clause does not create legal rights or obligations in addition to those imposed upon the parties by the legislation referred to in this clause.

NOTES

- (A) Employers and employees may also be subject to Commonwealth anti-discrimination legislation.

(B) Section 56(d) of the *Anti-Discrimination Act 1977* provides:

"Nothing in this Act affects ... any other act or practice of a body established to propagate religion that conforms to the doctrines of that religion or is necessary to avoid injury to the religious susceptibilities of the adherents of that religion."

32. Signatories

For Caroma Industries Limited: _____ Date: _____

For National Union of Workers: _____ Date: _____

For Consultative Group: _____ Date: _____

33. APPENDIX "A"

KPI Measures

ITEM	DETAIL	MEASURES	STANDARD
DELIVERY PERFORMANCE	% Delivered within 48 hours	Average over monthly periods	Improve on existing. 95% to be the minimum acceptable
OPERATIONAL STANDARDS	Productivity Quality Service Customer Relations Administration Relations	\$ per Manhour worked. Register of complaints Errors recorded	Improve on existing Average \$ per Manhour worked
TRAINING AND MULTI-SKILLING	After Sales & Service Picking & Packing Product Returns Receiving Incoming goods Dispatch Administration Pick Up Orders Bin Location Maintenance	Training Program Achievement Matrix Training Register	100% Knowledge & Understanding of all tasks by all Employees
WORKPLACE MAINTENANCE	Stock in good condition Floors clean of rubbish Rack neat & tidy Amenities kept clean Docks free of rubbish Car park & yard clean & tidy	Checklist weekly	High Standard
COST REDUCTION & CONTROL	Minimise damaged stock Minimise damaged racking Minimise equipment damage Reduce nil stocks Reduce temporary labour costs	Historical Data Actual results Monitor Absenteeism	Ongoing reductions
WORKPLACE HEALTH AND SAFETY	Incident reporting Regular safety meetings	Historical data graphed and diarised. Monitor trends	Ongoing reductions.