REGISTER OF ENTERPRISE AGREEMENTS

Registered Enterprise Agreement

Industrial Registras

ENTERPRISE AGREEMENT NO: EA98/46

TITLE: Supertex Industries Pty Ltd Goulburn Site Enterprise Agreement

I.R.C. NO: 98/45

DATE APPROVED/COMMENCEMENT: 16 January 1998 and commenced from the first pay

period on or after 1 January 1997

TERM: Expires 31 December 1998

NEW AGREEMENT OR

VARIATION: New

GAZETTAL REFERENCE:

DATE TERMINATED:

NUMBER OF PAGES: 10

COVERAGE/DESCRIPTION OF

EMPLOYEES: Employees covered by the Storemen and Packers, General (State) Award

employed at supertex Industries Pty Ltd, Chantry Street, Goulburn 2580

PARTIES: Supertex Industries Pty Limited -&- National Union of Workers, New South Wales

Branch

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Supertex Industries Pty Ltd

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Supertex Industries Pty. Ltd. Goulburn Site Enterprise Agreement

1. APPLICATION

The Supertex Industries Pty. Ltd. Enterprise Agreement (hereinafter called the Agreement) shall apply to the employees at Supertex Industries Pty. Ltd. - Goulburn Site (hereinafter referred to as the Company) who are bound by the terms of the Storemen and Packers, General (State) Award.

2. PARTIES BOUND

The parties bound by this Agreement are:

Supertex Industries Pty. Ltd. and National Union of Workers (NSW Branch)



3. PERIOD OF OPERATION

This agreement shall operate from the first full pay period on or after 1 January, 1997 and shall remain in force until 31 December 1998.

4. RELATIONSHIP TO PARENT AWARDS

This Agreement shall be read and interpreted wholly in conjunction with the appropriate Storemen and Packers, General (State) Award (hereinafter called "the Award"). This Agreement shall take precedence to the extent of any inconsistencies between the Agreement and the provisions of the Award.

5. SINGLE BARGAINING UNIT

For the purpose of negotiating this Enterprise Agreement a single bargaining unit has been established. The Agreement was arrived at by the Union, employees and management working co-operatively within this single bargaining unit.

6. OBJECTIVES

The parties to the Agreement believe that the prime objective of enterprise bargaining is to create an industrial environment where mutual goals of the business and employees are pursued. This involves but is not limited to the following objectives:

Pursuit of quality, productivity and profitability, to ensure the security of the company,

Creation of a safe, secure, satisfying work environment, and

Provision of relevant training which maximises personal development and ensures full utilisation of equipment.

7. REVIEW / RENEWAL OF AGREEMENT

Negotiations will commence in September 1998, 3 months prior to the expiry of this agreement. Should negotiations not achieve an agreement, the wage rates and levels of performance shall remain at the existing levels as at the date of expiration. Wage rates shall not fall below the level provided for in the relevant Award.

Key Performance Indicators will be monitored on a monthly basis by the Consultative Committee. This will ensure that expected performance improvements are actually achieved and the incentive wage increases are paid accordingly. Registered Enterprise Agreement

8. NO EXTRA CLAIMS

No extra claims including wage allowance increases shall be granted or claimed other Registrar than those contained or provided herein for the duration of this Agreement. However, notwithstanding any provisions of this agreement, no employee covered by this Agreement will receive a minimum rate of pay which is less than the corresponding wages entitlement available under the Award.

EXISTING AND FUTURE EMPLOYEES: 9

The terms and conditions of this agreement shall be binding upon all current and future employees of Supertex Industries Pty. Ltd. at the Goulburn site who are employed under the Award.

10. **GRIEVANCE PROCEDURE**

The parties accept and acknowledge that all disputes will be resolved in accordance with the grievance and disputes procedures of the relevant Awards.

11. WAGE INCREASES:-

Under this agreement employees are entitled to a wage increase of 11% which is to be divided into four stages comprising of 8% fixed and a variable component of 3%. The further 3% will be linked to key performance indicator targets which are set out below. The 11% wage increase shall be calculated on the base rates as at 31st December 1996.

Stage 1	4% Fixed effective first pay full pay period after 1st
	January 1997
Stage 2	1.5% Linked to KPI's effective first pay full pay period
	after 1st June 1997
Stage 3	4% Fixed effective first pay full pay period after 1st
	January 1998
Stage 4	1.5% Linked to KPI's effective first pay full pay period
	after 1st June 1998

Weighting for Key Performance Indicators:

Labour Recoveries	30%
B Class / Rework	40%
Safety	15%
On Time Deliveries	15%
	100%



Wage increases linked to Key Performance Indicators will only be paid on reaching the pre-determined performance levels. Labour recoveries and B Class / Rework KPI's are set for each department, therefore increases shall be calculated as follows:[(Proportion of Departments who achieved KPI X Weighting of KPI) X 1.5%].

KPI's for Safety and On Time Deliveries will be based on overall site performance.

KEY PERFORMANCE INDICATORS PRODUCTIVITY MEASUREMENTS

The achievement of these targets shall be the basis for the calculation of the wage increases linked to KPI's.

Labour Recoveries:

The objective of full labour recovery is to make a certain product within the time allocated to produce that product, then if the product is completed in accordance with the time allocated, then all wages paid to make that product are fully recovered i.e. 100%. If a product is made in a shorter time period than the allocated time then the costs are over-recovered and are shown as a higher percentage.

Labour Recovery All Sections

100%

Chenille Tufting Cutting Spreads Terry Gowns Warp Preparation	Chenille Dye House Machining Gowns Finishing Gowns Towel Weaving	Cutting Gowns Machining Spreads Finishing Spreads Towel Dye House
Towel Hemming		10,,012,7-110000

B Class / Rework:

Department	Target
Towel Weaving	4.25%
Towel Dyeing	0.40%
Towel Hemming	 0.75%

B Class / Rework

Terry Gowns 4.00%
Chenille Spreads 8.75%
Chenille Gowns 7.75%

Safety:

All Sections

0.40%

On Time Deliveries:

Warehouse

95%

12. BEREAVEMENT LEAVE:-

An employee on weekly hiring shall be entitled a to maximum of 38 hours bereavement leave without loss of pay on each occasion and on production of satisfactory evidence, of the death in Australia of the employee's husband, wife, father, mother, brother, sister, child, step child, parents in law or grandparents or grandchildren.

For the purpose of this clause the words "wife" and "husband" shall not include a wife or husband from whom the employee is separated, but shall include de facto wife or husband. The words "father" and "mother" shall include foster father and mother and step father or step mother and the words "brother" and "sister" shall include step

13. SICK / EMERGENCY LEAVE

Sick and Personal Emergency Leave:

Sick leave entitlements have a broader definition and shall include sick, personal and family reasons (e.g. to care for a sick child or other family member, to take children to medical appointments etc.). Under this clause there is flexibility to allow employees to use their sick leave provisions efficiently. Employees are encouraged to use only the amount of time necessary to attend an appointment in an effort to avoid being absent for a whole day.

Payout of sick leave:

Employees have the option to have a proportion of their Sick Leave paid out provided the following conditions are met:

a. Effective from 1st January 1997, in respect of sick leave accruing on or after that date, an employee may elect to receive money once per year in lieu of untaken sick leave. An employee must have a minimum balance of 76 hours accrued sick leave the day immediately prior to their anniversary date, after sick leave to be paid out has been deducted.



- b. Sick leave accrued prior to 1997 is not eligible to be paid out under this scheme.
- Payment shall be made in one month after their anniversary date of the C. following year. Only unused sick leave accrued in the previous 12 month period is eligible to be paid out.
- d. All employees must notify the company in writing of their intention to have sick leave paid out. The employee's decision for pay out of sick leave shall remain in force for the whole year.
- Once the payment of the full money value of the unused sick leave is made to e. the employee the company's liability for that portion of the employee's sick Registered leave shall be completely discharged. Enterprise Agreement
- An employee shall not take unpaid sick leave while they have accrued sick f. leave.
- In the first instance all sick leave shall be deducted from the current year's sick g. leave accrual.

14. LEAVE WITHOUT PAY:-

An employee may apply for leave without pay for a maximum period of up to 8 weeks without breaking continuity of service. An employee would be required to use accrued LSL and annual leave prior to leave without pay being granted. Combined leave is not to exceed 8 weeks.

An employee must provide six months notice of their intention to apply for leave without pay. All employees will be eligible for one period of Leave Without Pay after every three years of service. Further, only one period of Leave Without Pay may be taken in any three year period.

Leave Without Pay - Compassionate grounds: In a case where an employee has a close relative* seriously ill or dies, 8 weeks leave without pay will be granted without the required six months notice. Medical evidence shall be required. The employee's position may be filled by a casual / temporary worker in the interim. Extensions to this time frame shall be considered on a case by case basis, taking into account the needs of the business.

* Close relative is defined as employee's husband, wife, father, mother, brother, sister, child, step child, parents in law or grandparents or grandchildren. For the purpose of this clause the words "wife" and "husband" shall not include a wife or husband from whom the employee is separated, but shall include de facto wife or husband. The words "father" and "mother" shall include foster father and mother and step father or step mother and the words "brother" and "sister" shall include step brother or step sister.

LONG SERVICE LEAVE:-15.

All employees shall accrue Long Service Leave in accordance with the New South Wales Long Service Leave Act from date of commencement, no distinction shall be made based on age.

Employees may take LSL if one month's notice is given and provided their absence does not compromise company production. (i.e. an employee should apply for leave outside peak production times).

16. ROSTERING ANNUAL LEAVE:-

Parties agreed to follow the current convention of discussing plant shut downs with the Consultative Committee.

17. **MEAL ALLOWANCE:-**

Where an employee is required to work overtime for more than one hour after a. the usual ceasing time or beyond 6.00 p.m. (whichever is the later) on any day, Monday to Friday inclusive, shall be paid \$6.80.

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- If the notice is given and overtime is not worked (except as a result of a b. breakdown in machinery or plant) the meal allowance set out in subclause (a) of this clause shall continue to be paid.
- All meal allowances shall be paid through the payroll system. C.

18. DEDUCTION OF UNION DUES VIA PAYROLL

The company will continue payroll deductions of union dues for the life of this agreement.

19. FLEXIBILITY OF LABOUR

The Company encourages a flexible and multi-skilled workforce and does this by encouraging and providing training to its employees. Flexibility of labour is the ability of employees to move into various areas or sections of the factory to perform different duties that they are trained and capable of performing. This arrangement will be in accordance with past practices where labour flexibility applies in circumstances which are unique and unusual.

20. PROBATION PERIOD FOR NEW EMPLOYEES

A three month probationary period shall apply to all new employees. During this period the new employees skills acquired under training and suitability to the position will be fully assessed.

21. TRAINING AND CAREER PATH

Supertex is committed to providing all employees the opportunity to maximise their skills potential via a process of on the job training complemented by internal and external structured training courses. This the ongoing success of this program requires:

- a. a commitment by the company to provide career path opportunities.
- b. a commitment and willingness from all employees to participate in training.
- c. training for higher skilled positions or other skilled positions within the site will be offered to employees on the basis of years of service in their current skill level classification or if the same, then it will be decided on years of service with the company.
- d. training to be provided to employees to improve their skills base in order to improve their performance within their current positions.

Vacant positions for this site will be advertised internally.

Signed for and on behalf of Supertex Industries Pty Ltd (ACN 003 833 029)

John Zancis. Witness Witness

6/11/97 Date

Signed for and on behalf of National Union of Workers

Signed

Witness

Jennes Las

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Date

ATTACHMENT A

REDUNDANCY AGREEMENT

This agreement between the National Union of Workers (NSW Branch) and Supertex Industries Pty. Ltd. will cover the terms and conditions of termination (in addition to any coverage under award or other legislation) having application to employees who are deemed to be redundant.

NOTICE PERIOD

The redundancy package so offered will apply to those workers who are prepared to remain in the employ of the company up until the Company's official notification concerning relocation and redundancy.

A minimum of 6 weeks notice of redundancy or payment in lieu thereof will be given by the Company to an affected employee. Employees over the age of 45 shall be entitled to an additional week's notice.

SEVERANCE PAY

A severance payment will be available to all workers on the following basis:

Under one year's service	1.5 weeks
l yr and up to the completion of 2 yrs service	5 weeks
2 yrs and up to the completion of 3 yrs service	7 weeks
3 yrs and up to the completion of 4 yrs service	8 weeks
4 yrs and up to the completion of 5 yrs service	9 weeks
5 yrs and over of completed service add	2 weeks for each year of
	completed service

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PAYMENT OF UNTAKEN SICK LEAVE

Payment of all untaken sick leave.

PRO-RATA LONG SERVICE LEAVE

Pro-rata long service leave will be paid after 3 years continuous service.

ANNUAL LEAVE

Annual leave will be calculated as per award provisions plus pro-rata 17.5% loading for each completed month of service. Public holiday award provisions will apply.

LEAVING DURING PERIOD OF NOTICE

Any employee may leave during the period of notice without loss of the above redundancy provisions, but would not be paid for the unexpired portion of the notice period.

PUBLIC HOLIDAYS

All employees to be paid for public holidays which occur within three (3) months of the date of termination.

CERTIFICATE OF SERVICE

A certificate of service will be provided to all employees.

DEFINITION OF PAY



Pay shall mean the wage that an employee would have received in respect of the ordinary time he or she would have worked in a week, including over award payments and leading hand allowance.

All allowances in respect of overtime and all other penalty or special rates shall be excluded.