

ENTERPRISE AGREEMENT

NO: E.A. 393 /1993

DATE REGISTERED: 30-12-93

PRICE: \$ 18.00

23. 6 .93

Stage I* of an Enterprise Agreement made under the New South Wales
Industrial Relations Act, entered into between:

Australian Pharmaceutical Industries Limited
ACN No. 000 004 320

of 102 Briens Road, Northmead NSW 2152

and

the employees of API's Northmead site
otherwise covered under a NSW State Award/pre-existing Agreement
represented by
their elected Consultative Committee

and

the Unions which are involved with API Employees, which are:

The Federated Clerks Union
The National Union of Workers (Warehouse Branch)
The Transport Workers Union

**Stage I of two stages, the second stage of which will be a full Enterprise Agreement covering all conditions of employment of the various occupations on the site which is being developed by the full Joint Consultative Committee.*

It is agreed by the parties as follows:

1(a) THIS AGREEMENT is to be called the API Northmead Stage I Enterprise Agreement. The parties to the Agreement are:

Australian Pharmaceutical Industries Ltd (the Company), its employees and their representatives:

National Union of Workers, NSW Branch
Federated Clerks Union of Australia, NSW Branch
Transport Workers Union, NSW Branch

(Refer Part 4: Schedule of Industrial Organisation)

This agreement has not been entered into under duress by any party.

1(b) INCIDENCE PROVISION - This Agreement applies to personnel employed by Australian Pharmaceutical Supplies Pty Ltd, 102 Briens Road, Northmead NSW. Who are covered by the following parent awards:

Clerks (State) Award
Transport (Mixed Industries) Award
Wholesale Drug Stores Award.

1(c) In order to adapt to changing market conditions and customer demands the Company is committed to a process of excellence and continuous improvement which is designed to:

- (i) provide the best available service to customers;
- (ii) increase productivity without additional costs to customers;
- (iii) improve efficiency and minimise waste.

The arrangements outlined in this agreement are intended to support these customer service and productivity objectives as well as provide a more meaningful and responsible environment for all Company personnel.

Process of reaching agreement has been to develop the issues through discussion and negotiation with the full Joint Consultative Committee which consists of representatives from the Management of the Company and elected representatives of the Northmead staff. The mission statement developed by the Joint Consultative Committee is: to create through the exchange of ideas between employees and the employer a harmonious and productive working environment that is beneficial to the long term future of the Company and all its employees. This Agreement was not entered into under duress by either party.

COMMITMENT:

- (i) This Agreement gives effect to the intention of the parties to establish significant improvement in efficiency and performance. The improvements will be achieved through improved workplace relations and employment practices to ensure major benefits to the Customer, the Company, Employees and the Community generally.
- (ii) There will be increased emphasis upon flexible working arrangements and team work to enhance performance resulting from a highly motivated, productive and multi-skilled workforce.
- (iii) The scope of this Agreement as well as the second Stage will include issues such as improved classification structures, career paths and training to encourage greater customer service quality and job satisfaction, together with the development of performance indicators (benchmarks) to measure efficiency levels and improvements in various aspects of the operation. These performance indicators may include items such as safety, attendance, quality (issues such as reduction of picking errors, damages, etc.,) customer service, waste management (including power and general resources) and other issues that may arise by mutual agreement.

- (iv) So that issues may be addressed which affect workers and management and to explore ways of improving efficiency, productivity and customer service the API Consultative Committee will have an ongoing life meeting on a regular basis. At the conclusion of the development of the Enterprise Agreement it will develop its ongoing objectives and meeting timetable.

4. UNION/MANAGEMENT CO-OPERATION:

The Unions recognise their responsibilities as representatives of employees and realise that in order to provide maximum opportunity for continuing employment and good working conditions, the Company must first function effectively.

The Company and relevant Unions will endeavour to work together in a spirit of co-operation in order to attain maximum efficiency, quality customer service and dependability recognising the essential nature of the business as a provider of medicines to pharmacies and hospitals.

5. HOURS OF WORK & FLEXIBILITY:

- (i) The ordinary hours for all staff excluding clerks will be an average 38 per week, Monday to Friday, worked between the times of 6.00am-6.00pm. Times for Loss Prevention employees are 6.00am- 7.00pm. The ordinary hours for clerical staff will be an average 37.5 per week, Monday to Friday, worked between the times of 6.00am-6.00pm.
- (ii) An unpaid meal break of 30 minutes between the times of 11.30am and 2.00pm shall apply. A rest break will be allowed for warehouse employees of ten minutes in the morning and ten minutes in the afternoon with the afternoon rest break commencing ten minutes before finishing time.

An employee will not be expected to work for a period exceeding 5 hours without a break, either meal break or 10 minute rest break.

- (iii) Once having fixed the time for commencing and ceasing work it shall not be altered without at least seven (7) days notice to the employees concerned or by mutual agreement between the employer and such employees. Where the majority of the employees and the employer so agree, the commencing time may be varied to another time.

The Company acknowledges that some employees may have considerable difficulty making personal arrangements around altered hours. This can be difficult to accommodate in the operation if the change is required to satisfy customer needs. In this regard the Company undertakes to provide an employee with the choice of either accepting the altered hours agreed to by the majority of employees in the section, or accepting the offer to be retrained for another position which has the same, or as close as possible to, hours worked by the employee prior to the change becoming necessary.

Where a change occurs at the Company's request there should be no loss of wages associated with the move. Similarly, the Company will continue to endeavour to grant an employee's expressed wish to move to an alternate position which has different hours more attractive to the employee. In relation to such moves by an employee to an alternate position as referred to in this paragraph the Company undertakes to provide any necessary training for the employee in the new position.

(iv) This clause 5. may include the rostering of longer shifts per day where required and as agreed with employees under (iii) above. This is only requested where it is necessary to provide maximum customer satisfaction. The only departments where the Company wishes to implement this during the life of the Agreement are:

(a) the warehouse Receiving Department : the first week of the month is the busy week and service quality is improved by working varying rosters over a month based on 4x 9-1/2 hour days per week.

(b) the Loss Prevention Department where a four-day roster is agreed between the Security Officers involved.

(v) Public Holidays: Where an arrangement like that described in (iv)(a) or (b) above is agreed and an employee's working week does not normally include a day which is a Public Holiday the employee is still entitled to take a day off as that Public Holiday. The said Public Holiday leave will be taken by the employee on a day which is mutually agreed by the employee and the manager of the department so as not to impair customer service quality.

6. SALARY/WAGE PAYMENTS:

The payment of wages will be made each week by electronic funds transfer direct to the employee's nominated bank account.

7. STAND-BY STAFFING:

(i) Without limiting the essential medicines service arrangements already in place teams will be established to step in to jobs different to their regular job where a situation necessitates this.

(ii) The staff in such Stand-by Teams (SBTs) would be:

(a) Volunteers

(b) Specially trained in all areas they are to operate in

(c) Re-evaluated on a regular basis with retraining where required

(iii) Examples of the type of circumstances envisaged in (i) above are given below; the list is not exhaustive:

- equipment breakdown (e.g. computer, conveyor, etc.)
- power failure
- times of excessive absenteeism (e.g. flu viruses, etc.)

8. (i) CLASSIFICATION/GRADE STRUCTURE

(a) The Company undertakes to work with the Consultative Committee on the development of a Company Classification/Grade structure. In developing the structure the Committee will use all available resources including any existing award structures. If deemed necessary the Consultative Committee will seek the advice of an accredited skills auditor, and the unions, to assist in this process. This Classification/Grade structure will provide a framework for the development of career paths and training mechanisms for relevant skills required in performing graded duties. See also (ii) below: Training & Development.

(b) This project will commence during Stage I of the Enterprise Agreement and the Company will endeavour to complete it by the end of Stage II.

(c) This subclause (c) covers only NSW Clerks (State) Award employees. The parties recognise the National Clerical Administrative Competency Standards which were endorsed by the National Training Board in February 1993 and as used in the union's clerical structure discussed in the Joint Consultative Committee Meetings. These National Standards which include the skills listed below will be used by the Joint Consultative Committee as a guideline for the development of an appropriate structure, together with any other core skills identified by the committee.

machine operation	computer
keyboard typing	wordprocessing
information handling	enterprise/industry specialist skills
business / financial	secretarial
supervisory	

(ii) TRAINING & DEVELOPMENT

The Company will continue to apply resources to appropriate training programmes in accordance with the needs of the enterprise. Training will be ongoing for the duration of both Stage I and Stage II. Selection of employees to be trained will be based on the employee's current skill level, career development and potential. This selection will continue to encompass EEO and AA Legislative provisions.

The Company undertakes to work with the Consultative Committee to assist it in reviewing and further developing its training plan. In the event of a grievance arising at any stage during the assessment of an employee's selection for training or competency with newly acquired skills this may in the first instance be referred to the Consultative Committee for review.

(iii) UTILISATION OF SKILLS

Employees are required to carry out duties that are within the limits of the employees skill, competence and training.

Employees are required to use tools and equipment to carry out such duties provided that the employee has been properly trained in the use of such tools and equipment. Any direction issued by an employer will be consistent with the employer's responsibilities to provide a safe and healthy working environment.

9. SUPERANNUATION:

The Company was well ahead of workplace trends when it established a non-contributory superannuation fund for its weekly paid employees back in 1987. It also runs a contributory fund. There are advantages to streamlining the administration of the two funds as advised to employees. This process, which is presently under way, will better enable the Company to meet the legislative requirements of superannuation funds under the Superannuation Guarantee Levy.

10. GRIEVANCE & DISPUTES RESOLVING PROCEDURE

In order to ensure grievances are settled promptly, sensibly and fairly, the following procedure has been adopted. Remember that an effective settlement can only be achieved when there is an obvious and genuine sincerity and integrity involved.

- (i) Employee to try and resolve problem by discussion with his/her immediate supervisor;
ANSWER WITHIN 8 WORKING HOURS.

IF UNRESOLVED:

- (ii) Employee should refer the matter to the department manager.
ANSWER WITHIN 8 WORKING HOURS.

IF UNRESOLVED:

- (iii) Employee should discuss the matter with Personnel after seeking the help of the union delegate if the employee is a member of a Union.
ANSWER WITHIN 24 HOURS.

IF UNRESOLVED:

- (iv) Personnel will convene a meeting with the employee and the department manager, together with the union organiser and union delegate if the employee is a member of a Union.
ANSWER WITHIN 24 HOURS.

IF UNRESOLVED:

- (v) Personnel will convene a meeting with appropriate senior management and the employee together with the union organiser and union delegate if the employee is a member of a Union;
ANSWER WITHIN 24 HOURS.

IF NO SOLUTION IS REACHED AT THIS STAGE:

- (vi) The union organiser shall refer the dispute to the union secretary, and the Company shall refer the dispute to its employer association and the union secretary, or their nominee, shall take the matter up with the employer association.

- (vii) Subsequent to this it may occur that if no solution is reached either the Union, the Company or the employee will seek the assistance of the Industrial Commission.

EVERY EFFORT SHOULD BE MADE TO CONTINUE NORMAL WORK DURING THIS PERIOD. NEITHER THE COMPANY NOR THE EMPLOYEE SHOULD TAKE ANY ACTION WHICH WOULD AGGRAVATE THE PROBLEM.

11. OCCUPATIONAL HEALTH

(i) OCCUPATIONAL HEALTH & SAFETY

One of the Company's greatest responsibilities is the health and safety of its employees. It is the aim of API to provide a safe place of work and to this end managers and supervisors will provide and maintain safe systems of work in a safe working environment. Recommendations and monitoring of Occupational Health and Safety will be done through the continuing activities of the Occupational Health and Safety Committee in compliance with State regulations.

Every employee must assume a responsibility for their own safety and must accept a duty to their fellow workers and the Company to do their job in accordance with safe operating procedures so as not to endanger themselves and others or cause property damage or material loss.

(ii) WORKPLACE REHABILITATION

The Company will continue its commitment to the concept of rehabilitation and its process as set out in the Company's Rehabilitation Policy as annexed to this Agreement.

12. PAYMENT OF INCREASES UNDER THIS AGREEMENT:

(i) STAGE I:

A wage increase for this Stage I agreement will be paid effective the first pay period on or after 23 June 1993. The amount of this increase will be 3% on the actual rate of pay.

(ii) STAGE II:

As detailed in Clause 14 of this Agreement two further increases of 1.5% will be paid. The first of these 1.5% increases will occur six months from the first increase; the second of these 1.5% increases will occur after a further three months - that is a total of nine months after the first increase.

13. NO EXTRA CLAIMS

It is a term of this Agreement that the parties undertake not to pursue any extra claims, award or over-award during the duration of this Agreement.

14. DURATION OF AGREEMENT

The timetable for developing the full Agreement which will have a life of 15 months (from Agreement of this Stage I) is as follows:

- (i) Agreement on Stage I (as contained in this document) & issues in place;
- (ii) First Quarter:
 - + The Joint Consultative Committee will endeavour to establish a set of performance indicators (or "Benchmarks") as referred to in clause 3(iii) and to work positively together to improve productivity and efficiency.
 - These performance indicators, or benchmarks, will be at a minimum level of "best practice" for the Industry so as to provide a competitive advantage for the business.
 - + Classification & grading structure to be developed;
- (iii) Remainder of Agreement:
 - + Benchmarks will be measured and monthly progress published to employees during the life of this Agreement.
 - + Classifications put in place;

15. RELATIONSHIP TO PARENT AWARDS

Apart from clauses specified in this Stage I Agreement all other clauses of the Award governing employment of the various employees shall apply, including:

- NSW Clerks (State) Award
- NSW Transport (Mixed Industries) Award
- Section 11 Agreement with NUW (ex Storemen & Packers Award) which has as its parent Award the Storemen & Packers (Wholesale Drug Stores) Award.

WITNESS BY THE PARTIES this

day of June 1993

Paul H.

Federated Clerks Union *nsw Branch*

B Green

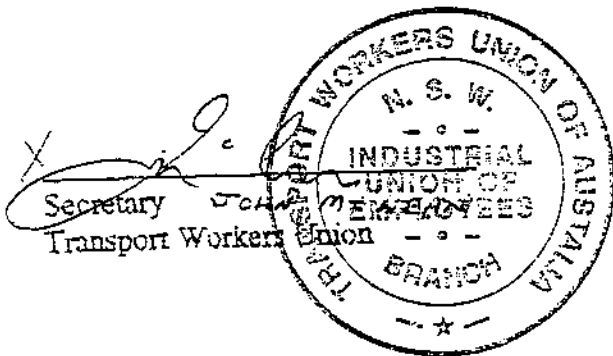
Betty Green
FCU Delegate

Frank Belan

Frank Belan, Secretary
National Union of Workers

Elizabeth Ferreira

Elizabeth Ferreira
NUW Delegate



Herb Stringer

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TWU Delegate

Kim Murchison

Kim Murchison
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For Narelle Kennedy
Personnel Manager

HEATHER COFFMAN
PERSONNEL OFFICER

Jann Satterly

Jann Satterly, Chairperson
Consultative Committee