

ENTERPRISE AGREEMENT

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LAMINEX INDUSTRIES WAGGA WAGGA - ELECTRICAL TRADES UNION OF
AUSTRALIA, NSW BRANCH (ENTERPRISE AGREEMENT, 1992).

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NSW BRANCH ENTERPRISE AGREEMENT 1992

1. TITLE

This Agreement shall be known as the Laminex Industries Wagga Wagga - Electrical Trades Union of Australia, New South Wales Branch (Enterprise Agreement 1992).

2. ARRANGEMENT

The Agreement is arranged as follows:

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3. APPLICATION AND SCOPE OF AGREEMENT

This Agreement shall apply to the establishment of Laminex Industries Wagga Wagga Plant and shall apply to all employees at that establishment bound by the terms of the Electricians State Award (NSW).

4. PARTIES BOUND

This Agreement shall be binding upon the following organisation:

- a) Laminex Industries in respect of its operations carried out at its Wagga Wagga manufacturing plant, Byrnes Road, Bomen.

- b) This agreement shall also be binding upon the Electrical Trades Union of Australia, NSW Branch.
- c) All employees whether members of an organisation of employees listed in subclause (b) or not, engaged in any of the occupations, industries or callings specified in the Award referred to at Clause 3.

5. DATE AND PERIOD OF OPERATION

This Agreement shall operate from the beginning of the first pay period to commence on or after the and shall remain in force for a period of 12 months. The parties will continue to monitor the Agreement to ensure the effective implementation of structural efficiency and enterprise bargaining.

6. RENEWAL OF AWARD

- i) All parties agree that negotiations to review this Agreement will commence 3 months prior to the expiration of the Agreement. Any disputes arising from such negotiation shall be dealt with under Clause 15 of this Award prior to the expiry date of this Agreement.

7. RELATIONSHIP TO PARENT AWARD

This Agreement shall be read and interpreted wholly in conjunction with the Electricians & C. (State) Award or any new award made in lieu thereof, provided that where there is an inconsistency, this Agreement shall take precedence to the extent of the inconsistency.

8. NO EXTRA CLAIMS

It is a term of this Agreement that the Unions party to this Agreement will not, during the currency of the Agreement, pursue any extra claims, award or over award except where consistent with the State Wage Case principles.

9. NATIONAL STANDARDS

This Agreement shall not operate so as to cause an employee to suffer a reduction in ordinary time earnings or in national standards such as hours of work, annual leave with pay and long service leave.

10. OBJECTIVES OF THE AGREEMENT

Laminex Industries Wagga Wagga Plant operates in the increasingly competitive market of medium density fibreboard. The Plant has moved from a situation of being the sole Australian producer of fibreboard five (5) years ago to now being one of four (4) domestic producers. Additionally, the pressure of imported product is impacting heavily on the competitiveness of the Plant.

The parties to this Agreement recognise that the long term future of the Plant is dependent on its capacity to satisfy three key objectives.

1. Align the plants cost structure more closely with that of our major competitors within the industry, both domestic and international.
2. Become the most flexible and responsive manufacturer of MDF within Australia and thereby enable the Plant to achieve excellence in the delivery of service to our customers.
3. Restore our reputation of producing the highest quality MDF available in the marketplace.

To achieve the above key objectives, the following major initiatives have been taken at the Wagga Wagga Plant:

1. Capital Expenditure:

A comprehensive Capital Expenditure Proposal has been developed and submitted for approval to senior corporate management.

This proposal embraced many suggestions and ideas from all levels of the Plant's organisation and will, if approved and successfully implemented, lead to significant reductions in our cost structure and provide greater control over our process and quality.

2. Supply Agreements:

The Company through management, union and its employees, is continually reviewing contracts and relative costs of all its materials and utilities. It sees this area as providing potential for significant cost savings and thus contribute to the aligning of the Plant's costs more closely with its competitors.

3. Restructuring:

Much effort has been put into Restructuring issues over the past 3 years, with a major focus on training and organisational structure issues. Progress is now picking up pace and is vital to satisfying the Plant's key objectives.

This Enterprise Agreement has as its principal objective, that of supporting the Business' Key Objectives and thereby sustaining the necessary momentum towards a more cost competitive, flexible producer of superior quality MDF in the Australian marketplace.

11. MEASURES TO ENHANCE PRODUCTIVITY

The parties agree to progress the next steps in the Award Restructuring process through the agreed Consultative mechanisms with the objective of promoting productivity, efficiency and flexibility improvements. The parties are committed to maximising the potential for improved operations of the enterprise and agree:

- . that the enterprise be flexible and encourage innovation and change of all levels.
- . that constant learning through information sharing, and up grading of skills and knowledge for all employees be encouraged.
- . the introduction of new technology have regard for human resources.
- . that organisation of work provides for workers to take responsibility for quality, service, work outcomes and development of efficiency as far as their level of skill, knowledge and training allows.
- . performance comparisons are a useful tool in determining the enhanced efficiency of the enterprise. On the other hand, the parties recognise that productivity measurements are not the only prerequisite for improving workplace efficiency and further, that the use of narrow and isolated productivity ratios may be misleading and detrimental to improving performance.

Accordingly, the process of workplace reform through Award Restructuring is designed to improve performance by taking into account all relevant factors to ensure the long term competitiveness of the enterprise.

The following measures have been put in place to continue the process of workplace reform and enhance efficiency:

a) Staffing Levels

The parties have recognised that the traditional concepts of rigid fixed staffing levels are not consistent with the needs of a more flexible and efficient operation.

Consequently, while the parties recognise a need to be guided by those previously agreed staffing levels, it is agreed that the principal determinants for staffing shall be the following. The following list of items is not in order of priority as it is important for all these items to be looked at collectively:

- i) Safety of employees.
- ii) Production needs and priorities.
- iii) Availability of people.
- iv) Physical constraints of operating lines below certain levels.
- v) Capacity to run lines at reduced volume.

Any decision which will result in operating with reduced staffing levels without automatic recourse to overtime, must be made with regard to items (i) - (v) in this clause.

The Company will adhere to the process of consultation where permanent staffing arrangement changes are required as a result of changes in conditions in a particular area.

b) Training and Skills Formation

See Appendix 'A'.

c) Contractor Agreement

It is agreed that contract labour can be used onsite to perform work that cannot be performed by Laminex personnel for reasons outlined below. Contractors will not be used to replace or diminish permanent employee status. Commitment is given that the use of contractors onsite is covered by the following principles:

- . Engagement of contractors will follow consultation with the personnel directly responsible for that given area and their union representative. That consultation shall commence at the earliest possible stage ie. at project conceptualisation, so as to enable greater involvement in the planning and preparation phases. The system of Contractor access application forms shall continue to operate, in order to ensure that appropriate consultation and advice occurs.
- . Wherever practicable, engagement of contractors will not be used to deny employees the opportunity to increase their breadth of experience within the Company.
- . In the case of engineering/maintenance work, Laminex Industries Wagga Wagga employees working alongside contractors are to be given preferential treatment in job allocation and overtime, except in the case of a requirement for specialist skills.
- . All contractors must have appropriate union credentials.
- . Engagement of contractors will be to satisfy the short term demands of the business and will be hired for a clearly defined circumstance. Such circumstances are described below:
 - a) Extraordinary increase in work output which results in non recurring peak loads which are beyond the capacity of the workforce to complete with reasonable overtime.
 - b) Extraordinary breakdown, repair or modification work deemed as an emergency case.
 - c) The requirement for skills not currently held by Laminex Industries Wagga Wagga employees or to supplement skills currently held by those employees. Where skills are not present onsite, emphasis should be placed on the provision of training and the development of those skills onsite where viable.
 - d) Installation work.
 - e) Site services, repairs and installation work eg. Plumber.

d) Use of Casuals/Temporaries

i) Temporaries may be used in the following circumstances:

- . Coverage of long term absence created by illness or injury, either work related (ie Workers Compensation) or non-work related.
- . Long Service Leave.

ii) Additionally, the parties have agreed that there may be circumstances where there is an extraordinary requirement for additional labour, such requirement being beyond the normal peaks in demand on the plant. While not limiting areas of use the Company envisages that the use of casuals would only be required in the following types of circumstances:

- . Work associated with spillages.
- . Additional pack wrapping/strapping, beyond capacity of normal manning.

In the circumstances of either temporaries or casuals being required, the Company will consult with on-site union representatives. Preference of employment on either a casual or temporary basis shall be given to those trainees (Clause K) that have successfully completed the traineeship program and have demonstrated their competency and suitability.

iii) Any casuals/temporaries employed must receive appropriate training to enable them to carry out the required duties safely and effectively.

e) Cross-Skilling Arrangements

Cross-Skilling between trades (ie Mechanical and Electrical), and between trades and non-trades areas has been identified as an area critical to the achievement of enhanced productivity and efficiency.

As a consequence, the parties have agreed to the progressive relaxation of demarcation barriers between these respective groups ie mechanical, electrical and non-trades. The relaxation of areas of demarcation is contingent upon the delivery of appropriate training to those people picking up new and additional duties and the certification of such skills. This will enable the build-up of a skills passport, and appropriate movement and recognition within the Laminex Wagga Career Skills Structure.

Areas of agreement reached in respect of cross-skilling are identified below:

- . Rigging
- . Lubrication
- . Electrical overload resetting where located outside electrical cabinets
- . Forklift driving
- . Process operation
- . Light globe replacement
- . Operators working as Trades Assistants
- . Motor removal after disconnection
- . Removal of equipment (gearboxes etc)
- . Welding and machining skills
- . Adjustment of chains, pumps, glands etc
- . Basic knowledge of Pneumatics and Hydraulics
- . Interrogation of PLCs for process faults where PLCs have in place lockout mechanisms for prevention of unauthorised changes and adjustment.
- . Limit switch adjustments and/or arm replacements

It is the intention of the parties that this list of items will be extended during the term of this Agreement. However, this process will be reviewed progressively following the implementation of the above cross-skilling. Cross-skilling arrangements are not to result in the direct loss of trade or non-trades positions but are to enhance the ability of the trades and non-trades to carry out the "whole job" including peripheral and incidental functions. This will enable the freeing up of both operators and trades to carry out both a greater number and higher skill level of tasks more effectively.

The parties have also agreed to commence discussion on the creation of Operator/Tradesman and Tradesman/Operator classifications.

f) Multi-Skilling Arrangements

It has been agreed that barriers that existed between and within production departments should be removed. As a consequence of this Award appropriately trained and/or skilled persons may be utilised in departments other than their normal department.

Transfer and training of persons in different departments on a defined fixed term basis will be demand and training driven and will be used as a mechanism for supporting the Plant's service objectives. It is the intention that in transferring employees to other departments, a rotation arrangement will be implemented so that no one individual is subject to continual transfers. Rather, the whole group should participate where practical.

Where such movements are required the Shift Manager may direct appropriately trained persons into a different department. A person is not to be directed where doubt exists as to the competency of that individual. The Shift Manager shall; ensure the individuals are advised on the reasons for their transfer, and also take account of any external personal reasons when considering transfers to a different shift. No employee transferred into a different position as a result of the above shall suffer a reduction in their ordinary time earnings.

To support the above flexibility, training will be provided to individuals with the following aims:

- i) Complete multi-skilling and flexibility within current production work groups
- ii) Extend this multi-skilling to extend reasonably across production work-groups, consistent with the career path structure.

g) Sick Leave Arrangements

The parties have agreed that use of Statutory Declarations in supporting sick leave applications has not been an effective means of controlling the taking of single day sick leave absences.

Consequently the requirement to provide Statutory Declarations in support of sick leave applications will be rescinded as a result of this Award. The requirement to fill out the Company Sick Leave form shall continue.

Employees will however be required to provide a Doctor's Certificate in circumstances where the absence is 2 or more consecutive days.

Should a deterioration in sick leave absenteeism occur then the parties will review the causes and implement measures to address such a deterioration.

h) Competency Testing of Operators and Trades

The competencies of trades and non-trades personnel, upon completion of training module development, will be subject to testing against agreed and clearly defined competency standards. Assessment will be by the Trainer and area Supervisor and shall be suitably documented.

This mechanism is viewed by the parties as a powerful tool in achieving higher standards of performance and thereby efficiency. It will also be a necessary element in the implementation of the new classification structures.

Where the competency standard required is not satisfied by the individual, the need for additional training will be identified. Where reasonable training, as determined in consultation between the trainer and Supervisor, is not successful, then the Company will take all reasonable steps to endeavour to find suitable alternate duties for the individual.

It is recognised that some individuals will feel dissatisfied with being deemed to have failed a competency assessment, therefore a mechanism for appealing and reviewing such a decision is to be developed.

i) Quality Systems - AS3901

Laminex Industries is committed to the achievement and maintenance of AS3901 accreditation.

Guaranteed high quality product is seen by the parties as a fundamental factor to the future success and viability of the Wagga Plant. Consequently the parties are committed to implementing and adhering to appropriate systems, policies and procedures that will ensure the objective of AS3901 accreditation is realised by August 1993.

The parties will work closely in identifying and overcoming barriers to the achievement of the above objectives.

j) Transfer of Personnel Within Plant

The following set of criteria has been established for determining the permanent transfer of individuals within the plant.

- i) Existing Skills
- ii) Capacity to achieve required skill level in new position
- iii) Physical capacity to perform the required tasks and duties of the new position
- iv) Suitability for new position, with regard to ability to work in a team.
- v) Personal reasons that could cause individual hardship should be considered.

The above criteria are to be used by the Department Manager in consultation with the trainer from the section from which the operator is being transferred from. Once an employee has been transferred into a new section on a permanent basis, their performance will be subject to a review (after 6 weeks) and formal evaluation after 3 months.

The above method of selecting persons for transfer should only be used in circumstances where a suitable applicant for the position is not available.

In the circumstances where an individual is transferred into a classification of a lower rate of pay through the above process (ie. forced transfer), that person's classification rate will be maintained. Such maintenance will be subject to absorption through the introduction of a new classification structure.

k) Traineeship Program

The parties have agreed to implement a pilot program of employing a number of trainees within the Production Departments. The pilot program will commence on 2/4/92 and will run for a period of 10 weeks and will be formally reviewed at the conclusion of the program.

The objectives of the program being conducted in conjunction with Mission Employment and DEET are as follows:

- 1) Deliver structured competency based training in production positions to selected participants. Trainees will be assessed against measurable objectives and will receive accreditation upon successful completion of the Program.
- 2) Assist Industry based training programs being developed and promoted by DEET and Mission Employment.
- 3) Provide the Company with a pool of potential employees within the community who can be recruited quickly into positions within the plant in circumstances where either attrition occurs or production demand increases, consequently requiring additional manning.

The benefits to the organisation in those circumstances are significant in that the plant can respond quickly to a demand for skilled/trained persons, thereby limiting the impact on serviceability caused by insufficient trained personnel. Individuals who participate in the program and are deemed competent and suitable at the end of the program will gain preference for any suitable vacancy that may arise either during or following completion of the program. This does not preclude an individual who is participating in the program being offered a position prior to the end of the program, where a vacancy arises and he is deemed competent and suitable.

l) Organisational Restructure

The parties recognised for a considerable period of time that effective restructuring of the Wagga site required change at all levels, management, supervisory and shop floor.

In order to effect real change it was considered necessary to put in place an organisational structure that would achieve a number of key objectives.

- . Flatter structure
- . Enhanced communication
- . Devolution of responsibility and accountability
- . Structure that encouraged the acquisition and use of additional skills by trades and non-trades personnel

The layers of supervision within the Plant's previous organisational structure were clearly unsustainable if the Plant were to achieve a more effective, cohesive and responsive team, and satisfy the above outlined aims.

A course of action was agreed that upon implementation would result in the transformation of the previous hierarchial supervisory structure into a production team approach with Group Leaders acting as co-ordinators and communicators.

The attached appendix to this Agreement marked 'B' outlines the roles and responsibilities of the work groups. A natural consequence of those changes was the placement of additional responsibility and accountability with the work group and its individual members for all aspects of their jobs. While transition to the new structure resulted in the loss of a number of positions from within the Plant, this is not viewed by the parties as the major benefit to be derived from the changes.

In the long term the Parties believe that the structure will provide a much more flexible and adaptive workforce capable of responding quickly to customer demand, and be more accountable for the quality of their output of product and usage of material inputs.

The effectiveness of the new structure will be monitored closely over the period of this Award, and detailed targets have been established for the Plant as a whole and targets are to be set for the respective workgroups.

m) Customer Service

Laminex Industries is committed to delivering the highest quality service to its customers, in terms of timeliness of delivery and quality of the product.

The above objectives achievement is critical to the success of Laminex marketing strategy, and consequently the business' financial performance. Operating within the highly competitive market of decorated and undecorated panels, the Plant plays a key role in delivering the necessary service levels.

The Plant has established the target of despatching all standard options of its product within 5 days of receipt of order from the branches. Such a target represents a major challenge for the Plant and will require much greater flexibility.

The Parties to this Agreement recognise that the above targets achievement will ultimately depend on the capacity of our employees to work more flexibly and adapt quickly to changing customer requirements.

The thrust of this Enterprise Agreement is to support the Service objective of the Company.

n) Award/Non-Award Staff Demarcation

The parties have agreed to review the demarcation that exists between Award and Non-Award employees with a view to identifying where barriers to greater efficiency exist. Examples of areas envisaged by the Company include equipment operation or maintenance in circumstances where there is a shortage of available personnel. The demarcation that exists between administrative and operational personnel is also to be reviewed.

o) Long Service Leave

a) Application of NSW Long Service Leave Act

The parties have agreed that the NSW Long Service Leave Act will have application to all persons subject to this Agreement, with the following additions.

b) Taking of Leave

Long Service Leave must be taken within 5 years of entitlement of leave (after 10 years of service) the time of taking of such leave to be by agreement of both parties having regard to the needs of the individual and business demands.

12 WAGE INCREASES

a) Wage increase of 4.5% payable from the first pay period following ratification of this Agreement.

b) The wage increases specified in clause a) of this clause shall be applied to the Award base rate for the relevant classification and shall be payable for all purposes of the Award.

- c) The wage increases referred to in subclause a) of this Clause shall not be absorbed into any overaward payment.

d) Further Productivity Based Pay Increases

The parties have agreed that the changes implemented at the Wagga site and which are reflected in this agreement are significant. They will provide substantial gains in efficiency and flexibility over time. Those improvements will extend beyond the life of this Agreement and provide a sound base for sustained improvement on the Wagga site.

The unions have put a position to the Company that further wage increases beyond the agreed 4.5% should be available within the life of the current Agreement (ie. 12 months). Such increases to be tied to measurable improvements in agreed key indicators.

The Company is in agreement with the Unions as to the need to maintain momentum in the drive for greater efficiency and enhanced competitiveness. To this end the Company is prepared to enter into discussions immediately in relation to a productivity based scheme, the structure of which would need to be the subject of those discussions.

The Company believes that such a scheme would not be achieved quickly or easily due to the complexity of establishing targets and measuring performance. In light of this the Company does not believe that payment of the 4.5% should be delayed pending such discussions.

It is the objective of the parties that discussions in respect of the above would be subject to a deadline, that being December 31, 1992.

- e) In accordance with the terms of the March 1992 State Wage Case Decision there shall be no further wage increases for the life of the Agreement except when consistent with a National Wage Case Decision.

13. COUNSELLING AND DISCIPLINARY PROCEDURES

Management is responsible for the evaluation of poor performance/misconduct, for example:

- . Lost Time
- . Quality of Work
- . Quantity of Work
- . Unsafe Work Procedures
- . Effect on other Employees
- . Refusal to obey legitimate instructions

The First Interview

The first interview shall be verbal and the employee shall be interviewed by the supervisor in the presence of the appropriate Union representative. The employee must be informed of the nature of the performance/misconduct problem, why such behaviour cannot be tolerated and what is expected of the employee in the future.

The employee must be given the opportunity to explain his/her actions for the performance/misconduct.

If the employee can validate his/her actions for the poor work performance/misconduct, then the warning shall not be given.

At the time of the interview, the employee should be advised if suitable counselling can be made available to assist with any social or personal problems. The Union representative and the employee to sign. The Union representative need not be the Shop Steward.

The Second Interview

If, after a reasonable time the First Interview has proved unsuccessful and the work performance has not improved, a Second Interview shall be arranged in the presence of the Union representative.

The employee shall be shown written evidence of continual poor work performance and warned that a further warning can lead to disciplinary proceedings.

The employee shall be advised again to seek counselling assistance if appropriate to correct the problem.

Documentation of the Interview shall be shown to the employee after an opportunity has been given to the employee to explain the situation.

If it can be validated that the employee's work performance/misconduct has not improved, both parties shall sign the record of Interview.

The Third Interview

In the event of the previous two interviews not achieving any lasting result, a Third Interview which will involve Senior Management and Shop Steward or his nominee.

The employee should be interviewed in the presence of the Union representative and again asked for an explanation of the continued poor work/conduct performance.

If the explanation is unsatisfactory, the employee is to be given the clear option "either the employee accepts the offer of help or takes the disciplinary consequence".

If disciplinary action is being considered, the employee must be informed of the fact and given the opportunity to explain why he/she should not be disciplined.

Disciplined

If the decision is made to proceed with a disciplinary measure, the Union Shop Steward or his nominee must be advised immediately.

The employee must be verbally advised in the presence of the Shop Steward or his nominee and given a written copy of the interviews and the discipline imposed. The letter relating to the discipline must state clearly the reasons for the discipline, the punishment imposed, and its duration.

Some examples of discipline can be:

1. Shifted to another place of work
2. A reduction in classification
3. Taking away certain liberties
4. Written admonishment placed on personal record
5. Required to produce proof of sickness
6. Notice of dismissal

Dismissal

If the Senior Management considers that dismissal is warranted, then the employee and the Shop Steward or his nominee shall be advised immediately of the decision.

The employee shall be given the opportunity to explain his/her behaviour. Any explanation offered shall be taken into consideration before deciding if dismissal is appropriate action to take.

Senior management must explain clearly to the employee in the presence of the Shop Steward or his nominee the offence for which he/she is being dismissed and the terms of dismissal.

Any decision to terminate should only be made in circumstances where it has been clearly demonstrated that the employee's actions are such that there is a violation of the contract of employment.

Duration of Interview

All interviews shall be reviewed after six months and any interview that has not been further enacted upon after this time shall be destroyed.

Onus of Proof

Where allegations are made against an employee which could result in disciplinary action or dismissal the onus of proof shall lie with the employer.

Viewing of Personal Records

Employees shall be entitled to view their personal records by request to the Senior Management for an arranged time. Employees are entitled to a copy of documents signed by them.

Summary Dismissal

This procedure will not prevent the Company from applying the provisions of Clause 11 Contract of Employment of the Electricians & C. (State) Award.

Right of Appeal

If, after the Third Interview the employee is dismissed he/she has the right to appeal to the Board of Reference as the Timber Industry (Consolidated Award).

14. GRIEVANCE AND DISPUTES PROCEDURE

The parties to this Agreement shall observe the following grievance procedure, with regard to local site issues.

Without prejudice to either party, work should continue in accordance with this Agreement (and the relevant parent Award) while the matters in dispute are being dealt with in accordance with the following steps.

GRIEVANCE PROCEDURE:Step 1

Should any matter arise which gives cause for concern to any employee he or she shall raise such matter with his or her immediate supervisor who will consult with him or her with a view to resolving the issue. If the matter remains unresolved only, then follow Step 2.

Step 2

If the matter remains unresolved, the employee shall raise the matter with his or her manager, with a view to resolving the issue. If the matter remains unresolved only, then follow Step 3. Steps 1 and 2 do not restrain the rights of an individual to seek advice from his/her delegate and have them present during discussions.

Step 3

If the matter remains unresolved, the employee shall raise the matter with his or her accredited union delegate who will consult, together with the employee, with the employee's immediate supervisor and/or manager, with a view to resolving these issues. If the matter remains unresolved only, then follow Step 4.

Step 4

If the matter remains unresolved, the employee shall together with his or her union executive representative, raise the matter with the Personnel Manager, who will then attempt to resolve the matter together with the relevant manager and/or relevant supervisor. If the matter remains unresolved only, then follow Step 5.

Step 5

If the matter remains unresolved, it shall be referred to such higher levels of the Union and the Company as may be appropriate. If the matter remains unresolved only, then follow Step 6.

Step 6

If the matter remains unresolved it may be referred, by either party, to the Industrial Relations Commission for conciliation and/or arbitration.

Step 7

Where it is agreed between the employee and the relevant manager, steps 1 - 5 may be conducted concurrently. The parties shall, at all times, confer in good faith and without undue delay.

Step 8

If the matter is referred to the Industrial Relations Commission, the parties shall, at all times act in good faith with regard to any assistance provided by the Commission with a view to resolving the dispute, during the course of the proceedings.

15. SUPERANNUATION

On the introduction of the Superannuation Guarantee Levy by the Federal Government, the Company will ensure that the requirements of that legislation are fully met and implemented at the Enterprise.

16. NEGOTIATION IN GOOD FAITH

The parties to this agreement acknowledge that this agreement was negotiated in good faith and that there was no duress applied upon either party in the making of this agreement.

APPENDIXES

APPENDIX A Training and Skills Formation Agreement

APPENDIX B Work Group Guidelines

APPENDIX C ETU Agreements

APPENDIX 'A'

TRAINING AND SKILLS FORMATION

The Company and on site unions have recognised that for successful restructuring of the Wagga Wagga site to be realised, the quality and availability of training must be improved. This is critical to the raising of skill levels and flowing from that, enhanced productivity and efficiency.

To achieve the above, the following training and skill formation program has been implemented:

1. Development of Training Plan

A training plan for the enterprise is being developed through the ECC with the following elements:

- i) Agreed objectives and priorities for training
- ii) Outline of skills development needs for the enterprise for the next 12 months
- iii) Projection of skills development needs for next 2-3 years
- iv) Methods of providing skills formation that will utilise both internal and external resources:
 - ie. Internal courses
 - TAFE courses
 - Other external training providers
 - On-the-job training
 - Trainer training courses
 - Workgroup meetings
 - TUTA courses

The parties to ensure that all methods of skill formation are utilised and recognised rather than just "formal training courses".

- v) Relationship between skill formation and Competency Standards/Career Paths.
- vi) Details of employees participating in training programs throughout the year including dates, venue, times, providers etc.
- vii) Resource requirements eg. Labour, budget etc.
- viii) Evaluation methods to be used in determining effectiveness of plan, and time frame for evaluations.

- ix) Skills formation program to lead to measurable outcomes in that employees gain new competencies as recognised by NTB. Achievement of those competencies will gain certification and build a skills passport for the individual.

2. Training Conditions

It is agreed that the costs of delivering training to individuals as part of their skills formation and career path progression must be kept to a minimum. This is to ensure that the availability of training is sufficient to satisfy both Company needs and individual expectations of career path progression.

Consequently, it is agreed that the planning and implementation of training must be carefully managed so as to not adversely impact on the Plant's operation or financial performance.

The following principles are to be adopted in the planning and implementation of structured training:

- i) Onsite training should be undertaken during the individual's ordinary hours of work wherever possible.
- ii) Onsite training should be scheduled at times of least inconvenience to shift workers.
- iii) Attendance at such training should be facilitated through approved changes in shifts where necessary, and wherever possible.
- iv) In enabling the release of individuals to attend training courses, coverage of that individual should be managed through the use of spare and available labour or operating with reduced manning where possible. (Criteria as per clause 12(a))
- v) The working of overtime to cover the release of individuals for training is to be regarded as a last step and must be approved by the appropriate manager, in consultation with the appropriate Supervisor, Group Leader and Trainer.
- vi) Attendance by an individual at a relevant external course (eg TAFE) falling outside that person's ordinary hours of work shall be in the employee's own time.

Where such a course, due to that person's shift roster, falls during ordinary hours of work, then that person would be released for attendance without loss of rostered ordinary time earnings.

- vii) Employees undertaking training in accordance with the training program shall not suffer a reduction in their rostered earnings. This will be reviewed during the life of the Agreement by the consultative committee, should abuse of this clause occur.

- viii) Employees undertaking relevant external training will receive support in respect of course fees and textbook costs in line with the Company's educational assistance policy. ie Reimbursement of all compulsory fees and reimbursement of cost of books up to \$200 per year on successful completion of each stage of the course.

Relevant external training is a defined component of the proposed classification structure. External training outside of this will be subject to separate approval.

- ix) Attendance at external course exams, where such exams occur during the employee's ordinary time, will be facilitated through release from work (without loss of pay) for the period of the exam.

No payment will be made for attendance at such exams where the exam takes place outside of ordinary working hours.

3. Training Curricula Development

The process of development of training curricula has been initiated in all Production Departments. Development work on cross-skilling components has also been commenced.

The process of training curricula development will provide a modular based training structure that will ensure a consistently higher standard of operator and trades training onsite. This will support the overall objective of enhancing plant efficiency and service levels.

The training modules will form the basis for the new classification structure and resulting career path progression for both Trades and non-Trades. It is the intention of the parties that completion of training curricula in all areas will be achieved during 1992 and this will enable finalisation of a new competency based classification structure. A new classification structure will be negotiated for both Trades and non-Trades prior to the expiration of this Award. Leave is reserved to seek insertion of new classification structure into this Award.

In finalising a new classification structure the parties have committed to the following principles:

- . Translation of all workers to the new skill based grade structure
- . Recognition of relevant prior skills and learning
- . Promotion of skill and Award flexibilities
- . Broadening of skill base
- . Capacity of employees to work flexibly between work stations and perform work peripheral to their main task.

- . Employees to carry out work to the full capacity of their training, skill and competence, consistent with the grade structure provided such duties do not result in a down grade of overall duties and responsibilities.

4. Training Access and Assessment

The parties have agreed to the principle of equality in opportunities of access to training, subject to availability of the training, for all employees through the implementation of new classification structures. Appropriate documentation shall be developed and implemented to record where access to training is offered.

Additionally it has been agreed that in the establishment of competency standards, effective, objective non-threatening assessment techniques be adopted.

Comprehensive conditions covering access to training and assessment of competencies will be developed and implemented with new classification structures.

5. Workplace Instructors

- a) A system of workplace instructors has been implemented with approximately 16 trainers having been selected, trained and assessed. The assessment of the trainers is consistent with competency standards established by the National Training Board.

Those trainers are now operating within the Plant and are undertaking the duties detailed below:

- i) Deliver training and on-the-job instruction to new employees or operators new to a particular position.
- ii) Develop and modify where appropriate, training packages and curricula.
- iii) Assess effectiveness of training packages/curricula.
- iv) Assessment of training potential and performance through a process of competency based testing.
- v) Provide recommendations regarding trainees.
- vi) Validation and verification of training packages.
- vii) Maintenance of training packages.

APPENDIX 'B'

WORK GROUPa) Objectives

The objective is to improve productivity of the work group where productivity is defined as meeting the needs of both employees and the organisation, including but not limited to the following items:

- . Improvements to systems including reduced waste
- . Job satisfaction
- . Reduction in absenteeism
- . Reduction in accidents, resulting in a safe working environment
- . Product quality issues
- . Quality of working life
- . Equal opportunity for all employees
- . Access to training and career paths

b) Role of the Work Group

- . Planning activities (work group)
- . Allocation of tasks to meet objectives within the work group
- . Providing feedback to the Resource Co-ordinator, Manager, other work groups and Site Consultative Committee
- . Analysing work systems and practices, devising an implementation strategy on issues or concerns within the immediate work area and where possible implementing improvements. This may include:
 - . Ideas that have the potential to enhance productivity and efficiency taking into account customer, OH&S and environmental needs and elimination of waste
 - . Quality control and level of work output
 - . Work organisation and change
 - . Quality of work life
 - . Identifying training requirements, planning and liaising training programs
 - . Liaising with other work groups to implement improvements

- . Management techniques
- . Equal Employment Opportunities
- . Flexible Work practices
- . Participate in budget setting
- . Participate in recruitment process
- . Review the operation and effectiveness of group
- . Setting goals, within the boundaries, for the work group.
- . Continual improvement should be the aim.

c) Boundaries of the Work Group

The role of the work group is contained by the following boundaries:

- . Flexible work practices
- . Reporting structure
- . External Production influence eg raw materials and service levels
- . Legislation
 - Occupational Health and Safety
 - Workers Compensation
 - Equal Opportunity Employment Act
- . Departmental Policies and Procedures
- . Budget constraints
- . Union policies and procedures
- . Quality standards
- . Production requirements eg What and how much
- . Overtime authorisation limits

d) Work Group Leadership

It has been agreed that the work groups should have a designated Group Leader, this person to be selected by the Group.

In selecting a Group Leader, it is not intended that such person is a mere substitution for the previous Foreman as such a substitution would not achieve the necessary delegation of responsibility to all members of the work group.

Ultimately, it is our aim to have groups working with a structure of shared leadership. That is where the individual strengths and capabilities of Group members can be utilised. Areas of suggested division of leadership roles in the longer term are:

- . Moderator - conducts team meetings
- . Schedule Co-ordinator - relays schedule requirements
- . Recorder - keeps minutes and other records
- . Monitor - measures and highlights performance results
- . Trainer

e) Training Requirements

In the longer term, the training requirements of the Group will be identified through the process of skill/task analysis and job redesign. This exercise has to date been carried out in the Finishing Line and is now being extended through the rest of the plant starting with the Logyard and MDF Line.

Suggested training for the group includes:

- . Problem solving
- . Conflict resolution
- . Team roles
- . Meeting Procedures
- . Groups vs Teams
- . Decision making
- . Negotiation skills
- . Report writing

In the short term training will be provided for the acting Group Leaders to enable them to make the transition into the new structure, and as they rotate the intention is to train all those within the work group needed, to achieve the required standards.

f) Performance Criteria for the Work Groups

The specific performance objectives for each work group will be developed in consultation with the Manager and work group concerned, and will obviously vary from section to section.

However, some obvious indicators that will form part of the performance criteria are:

- . Absenteeism levels
- . Lost time injuries
- . No. of compensable injuries
- . Production performance levels vs budget
- . Defect/reject levels

- . Service levels
- . Overtime levels
- . Production to plan

g) Accountability and Responsibility

The Work Group will be held accountable within the limits of its control and boundaries for the following:

- i) Production/Quality/Service Targets
- ii) Ensuring a healthy and safe working environment
- iii) Ensuring group members are appropriately trained
- iv) Ensuring absences are managed
- v) Ensuring time keeping is managed
- vi) Reviewing systems and procedures
- vii) Planning work group activities and allocating tasks within the group
- viii) Ensuring machinery and equipment works efficiently and safely.

APPENDIX 'C'

ETU AGREEMENTS

1. Technological Skills Margin
2. Refrigeration Mechanics Ticket
3. TAFE Attendance Coverage
4. Payment of Sick Leave upon Termination
5. Call-in Arrangements for Electrical Shift Coverage
6. Workers Compensation Payment

1. Technological Skills Margin

In addition to existing rates, currently being paid to electrical tradesmen employed by Laminex Industries at its Wagga Wagga mill and in recognition of the advanced technical skill and knowledge required to service the Company's plant and equipment, the Company will pay a "technological skills margin" of \$13.30 per week for all purposes of the award subject to the following conditions:

- i) Employees shall have completed 12 months' on-the-job tradesman experience with the Company;
- ii) Employees satisfactorily undertake training courses, such courses being those which are agreed between the Company and the Union;
- iii) The Company provide the training courses within the first 12 months of service where practicable;
- iv) Existing employees who are required to perform and are performing such technological skills but who have been unable to complete their training shall be paid the technological skills margin and shall have their training completed as soon as practicable; and
- v) Upon a margin or classification based upon technological skills being awarded in the Electricians, &c. (State) Award, the Laminex Customwood Pty Ltd electricians' "technological skills margin" shall be absorbed.

This agreement shall take effect from the beginning of the first pay period to commence on or after 3 May 1984.

2. Refrigeration Mechanics Ticket

Agreement was reached between the Company and ETU at a meeting on 14 March 1990 that payment of a margin of 5.5% of the base rate (currently \$22.45), would be made for the possession of the above qualifications.

Agreement to this was reached on the following basis:

- . As only one qualified person was currently required on site, payment will be restricted to one qualified person.
- . Were the present incumbent to leave the Company, the payment of the allowance would be reviewed.
- . Contractors will continue to be used for air conditioning and refrigeration work as required by the Company.
- . Payment of the \$21.80 margin will be for all purposes and is in addition to the current wage rate.
- . Payment to commence on 19 March 1990.

3. TAFE Attendance Coverage

The following arrangements are to enable shift electricians to attend an approved TAFE Course (ie. Industrial Electronics):

By arrangement a day worker will start work at 9.00am and work through till 5.30pm for which he would receive 8 hours at ordinary time. He would then work overtime from 5.30pm to 9.30pm for which he would receive 2 hours time and a half and 2 hours at double time.

Those persons while on afternoon shift, required to attend TAFE will report to work at 3.00pm. They will be released to attend TAFE from 5.30pm - 9.30pm without loss of ordinary time earnings. The shift worker will then return to complete that shift from 9.30pm to 11.00pm.

The day worker covering in the above circumstance will observe a 10 hour rest period and return to work at 7.30am the following day. He will then work until 4.00pm for which he would receive 8 hours ordinary pay.

The above 10 hour break will be waived in circumstances where the day worker is required to cover day shift.

Where an approved TAFE Course examination falls on a rostered shift, the employee will be released from his shift without loss of ordinary time earnings to attend the required examination.

Support of individual electricians attending TAFE as per the above arrangements will not continue upon failure of a course by that electrician ie. support to repeat the course will not be provided.

4. Payment of Sick Leave Upon Termination

The following conditions cover payment of accrued sick leave upon termination.

The employee must have established 104 hours of accumulated sick leave at the end of a sick leave year during the term of employment.

Where the above is satisfied, untaken sick leave payable is the total of the balance at the end of the last sick leave year, plus one twelfth of 64 hours for each completed month of employment since that date, less the amount of sick leave taken since the end of the last sick leave year.

The sick leave accrued limit of 12 years under the State ETU Award is waived under this Agreement.

5. Call-in Arrangements for Electrical Shift Coverage

Background

It is the intention of the Company to operate the plant with one electrician per shift.

In order to ensure that production needs and safety requirements can be met, a workable method of calling-in another electrician (a day worker), needs to be developed.

The following conditions reflect an agreement reached between the Company and ETU in order to ensure the above.

i) Reasons for Call-in

An electrician will be called in for the following reasons:

- a) Plant breakdown or breakdowns requiring two qualified electricians.
- b) High voltage work requiring access permit.
- c) Work on live exposed conductors 240v or over with respect to ground, other than normal testing with suitable test equipment eg. meter oscilloscope chart recorder.
- d) Where working in a safe manner requires two electricians.

ii) Method of Call-in

The Production Foreman in consultation with the Shift Electrician, will determine if a call-in is required. If agreement cannot be reached, then the electrical foreman, supervisor or engineering manager will be contacted to make a decision.

Transport of the on-call electrician to and from the plant shall be by taxi if required by the on-call electrician.

iii) Call-in Roster

All qualified day work electricians will be eligible to participate in the roster. The rostered person will be on for 7 days at a time (changeover time - 11.00am on Wednesday).

SIGNED FOR AND ON BEHALF OF:

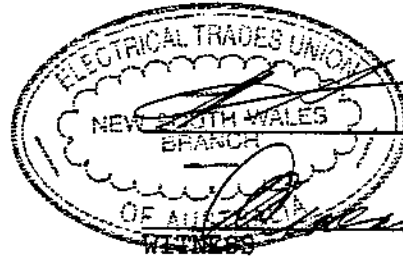
Laminex (Australia) Pty Ltd

27/1/93
DATE

Electrical Trades Union of Australia
(NSW Branch)

28-1-93
DATE

lan Mason
[Signature]
WITNESS


WITNESS