

ENTERPRISE AGREEMENT

NO: E.A. 70. /1994

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PRICE: \$ 140-00

DFC THOMPSON PTY LTD

ENTERPRISE AGREEMENT ARRANGEMENT

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1 - SCOPE OF THE AGREEMENT

- (a) This agreement shall apply to all employees and future employees of DFC Thompson Pty. Limited or subsidiaries of DFC Thompson Pty Ltd who are employed in or in connection with the manufacture of Pharmaceutical, Cosmetics and Food pre-mixes.

Relationship to Parent Awards

- (b) This agreement totally replaces the wages and conditions in the following awards:
- . Drug Factories (State) Award
 - . Storemen and Packers General (State) Award
 - . Clerks (State) Award
 - . Metal & Engineering (NSW) (Interim) Award
 - . Miscellaneous Workers - General Services (State) Award

Term of the Agreement

- (c) This agreement shall be for one year beginning upon registration under the Industrial Relations Act 1991.

2 - WAGES

- (a) This agreement shall apply to the following classifications.

	<u>Per Week</u>
Quality Controller, Inspector -	\$349.50
Machine Attendant and Setter - tablets and capsules (including operating Lilly encapsulator machine)	\$363.20
Manufacturing Pharmaceuticals not otherwise provided for (Mixing Powders). Compounder, Manufacturing Attendant	\$358.70
Filling and finishing retail packs	\$349.50

	<u>Per Week</u>
Forklift driver up to 4.54 tonnes Despatch/Receiving Storeman.	\$370.10
Secretary	\$413.00
Clerk	\$395.30
Charge Hands, shall be paid in addition to their normal rate of pay as provided for in this agreement:	
In charge of 1 to 5 employees	\$13.74
In charge of 6 to 10 employees	\$16.40
In charge of more than 10 employees	\$19.78
Cleaner	\$357.40
Mechanical Fitter	\$417.40

(b) The minimum rate of pay of any full time adult employee under this agreement shall be at least the rate specified herein for their appropriate classification. Should a rate for a nominated classification increase in the parent award, and such increase implies that the parent award rate is higher than the applicable rate under this agreement, pursuant to Section 122 Minimum Conditions of Employment of the Industrial Relations Act 1991, the higher rate of pay for the particular classification will be the rate of pay for the purposes of this agreement.

(c) Full-time and Part-time Employees:

The actual rate of pay for new employees shall be set by the managing director. This rate shall be set after considering the employee's experience, skills, qualifications, and the nature of the work for which the employee was appointed. No employee shall be paid less than the minimum rate specified in this agreement as outlined in (b) above.

(d) Full-time and Part-time Employees:

Wages shall be adjusted each year in June after considering the results of any state wage case, the performance of the employee and the performance of the company. The managing director will consult with each employee before deciding on the appropriate adjustment.

- (e) At the time of introduction of this agreement all existing wage rates, which are above the minimum rates provided for in this agreement will remain unchanged.
- (f) Juniors shall be paid the following percentage of the appropriate adult minimum rate in sub-clause (b):

Age	%
< 17	60
17	70
18	90
> 19	100

3 - LABOUR FLEXIBILITY

- (a) For the purpose of increasing productivity and flexibility and using time effectively as well as enhancing career opportunities for employees the Company may direct an employee to carry out such duties as are within the limit of the employee's skill, competence and training.
- (b) Employees shall perform such work as is reasonable and lawfully required of them by the Company including accepting instruction from authorised personnel.
- (c) Employees shall comply with all reasonable requests to transfer or to perform other work for which they are capable including cleaning and painting.
- (d) Employees shall take all reasonable steps to ensure the quality, accuracy and completion of any job or task assigned to them.
- (e) Employees shall not impose any limitation on supervisors or technical personnel in the use of equipment or machinery.
- (f) Employees shall not impose any restrictions or limitations on the measurement and/or review of work methods or standard work times.

4 - CONTRACT OF EMPLOYMENT

- (a) Employment shall be on a weekly basis.
- (b) Employment shall be probationary for the first six weeks. Termination by either party shall be on a day's notice.
- (c) Dismissal shall not be harsh unfair or unreasonable. Subject to this constraint, employment can be terminated by the payment or forfeiture of a week's wages, as the case may be. This shall not limit the company's right to dismiss an employee without notice for refusal of duty, malingering, inefficiency, neglect of duty, misconduct including breach of company rules and in such cases the wages shall be payable up to the time of dismissal. Refer to Clause 5 - Disciplinary Procedure.
- (d) On any day on which an employee cannot be usefully employed because of any strike, breakdown or any factor beyond the control of the employer, the company may require the employees to undertake alternative duties or take annual leave, or in the case of casuals inform them not to report to work then they will not be paid. If a casual is not told not to report for work and does so and there is not work, he/she shall be paid a minimum of four hours pay.

5 - DISCIPLINARY PROCEDURE

The following disciplinary procedure shall be adhered to by the Company and the employees.

- (a) Employees who exhibit unsatisfactory performance or behaviour shall be counselled so that they understand the standards expected of them and are offered assistance and guidance in achieving those standards.
- (b) Written records of such counselling will be made. The employee will be shown the written record and have the opportunity of commenting on its contents either in writing or orally. The record will only be placed on the employee's file where the employee has been given the opportunity of responding to the record.

- (c) Employees whose performance or behaviour is unsatisfactory will be given adequate time to demonstrate a willingness to improve. If at the end of this period, the employee shows no willingness to improve in the opinion of the Company, then disciplinary action up to and including dismissal may be taken.
- (d) Nothing in the procedure shall limit the right of the Company to summarily dismiss an employee for serious and wilful misconduct.

6 - PART-TIME EMPLOYMENT

- (a) An employee may be engaged by the week to work on a part-time basis for a constant minimum number of hours each week which shall be less than 38 hours.
- (b) The spread of hours shall be the same as those prescribed in Clause 8 - Hours.
- (c) Any hours worked in excess of 38 per week shall be paid at overtime rates.
- (d) An employee so engaged shall be paid one thirty-eighth of the weekly rate for each hour worked except as provided for in (c) above.
- (e) All other entitlements such as sick leave, annual leave and long service leave etc. shall be provided on a pro rata basis.

7 - CASUAL EMPLOYMENT

- (a) An employee may be engaged by the hour on a casual basis.
- (b) An employee so engaged shall be paid one thirty-eighth of the weekly rate for each hour worked plus 25.8%. This penalty shall be in lieu of sick leave, annual leave and long service leave.
- (c) Any hours worked per week in excess of 38 shall be paid at overtime rates.
- (d) The spread of hours shall be the same as those prescribed in Clause 8 - Hours.
- (e) Casuals shall be paid a minimum of 4 hours for each day of work.

8 - HOURS

- (a) The ordinary working hours of day workers shall be thirty-eight per week, to be worked between the hours of 6.00 am and 6.00 pm, Monday to Saturday inclusive, provided that this spread of hours may be altered where the Company and the majority of employees affected agree. Such alteration in the spread of hours will be consistent with the provisions of the Industrial Relations Act, 1991 specifically Section 122 (1) (2) Ordinary Hours of Employment and Section 122 (1) (3) Rates of Wages.
- (b) The daily ordinary hours shall not exceed ten per day.
- (c) The Company shall be entitled to fix the starting and finishing hours within the spread of hours in paragraph (a) and alter them from time to time, either by mutual consent of the majority of employees affected or by posting up in a convenient place in the plant, one week's notice of the change.
- (d) No employee shall be directed to work on Saturdays, Sundays or Public Holidays or shifts unless this was agreed at the time of hiring.

9 - MEAL BREAK

An unpaid break of thirty minutes can be taken no earlier than four hours after commencing work and should be concluded no later than six and one-half hours after commencing work. The actual commencement time of the break shall be arranged by the Company bearing in mind the production needs from time to time. For the purposes of this clause, the ten-minute morning rest period shall be deemed to be time worked. Where the hours worked extend beyond ten, then an additional paid break of 20 minutes can be taken at a mutually convenient time.

10 - MEAL ALLOWANCE

Except where an employee has been given 24 hours notice of the need to work overtime, a meal allowance of \$5.50 shall be paid any employee who is required to work overtime in excess of one hour throughout any of the following intervals:

6.00 pm - 9.00 pm
6.00 am - 8.00 am
Midday - 2.00 pm

11 - SHIFTWORK

(a) **Allowance**

Employees required to perform work on shifts shall be paid the following shift allowance.

Afternoon shift - \$10.51 per shift

Night shift - \$14.20 per shift

(b) **Hours**

The ordinary hours shall average 38 per week or 152 in 28 consecutive days according to a roster. Shifts shall be up to ten ordinary hours.

(c) **Definition**

Afternoon shift is a shift which is worked between midday and midnight.

Night shift is a shift which concludes between midnight and 10.00 am or commences between midnight and 4.00 am. These definitions shall apply except where the ordinary hours are varied in accordance with sub-clause 8 (a).

(d) **Crib Time**

Thirty minutes crib time shall be allowed to shift workers for every five hours they work which shall be paid as time worked. These breaks shall be taken at a convenient time by agreement with the company.

(e) **Roster**

The Company shall be entitled to fix the shift rosters and alter them by mutual consent or by giving employees one week's notice.

(f) **Overtime**

Shiftworkers shall be paid for all overtime at the rate of double time except overtime worked on a public holiday which shall be paid at double time and a half.

12 - OVERTIME

- (a) All time worked by full time employees in excess of their usual daily ordinary hours shall be overtime.
- (b) All time worked in excess of 38 hours per week shall be paid at overtime rates.
- (c) All time worked outside the spread of hours shall be paid at overtime rates.
- (d) On each day overtime is worked, overtime shall be paid at time and a half for the first two hours and double time thereafter except on Sundays when all overtime shall be paid at double time and Public Holidays when all overtime shall be paid at double time and a half.
- (e) Overtime is not payable when arranged between the employees themselves. All overtime must be approved by the company.

13 - PUBLIC HOLIDAYS

- (a) The following days which are gazetted as public holidays shall be taken as leave without any loss of ordinary pay, subject to sub-clause (b) of this clause.

**New Year's Day
Australia Day
Good Friday
Easter Saturday
Easter Monday
Anzac Day
Queen's Birthday
Eight Hour Day (Sydney)
Christmas Day
Boxing Day**

and any other day or days observed as such and any other gazetted holidays observed throughout the State.

- (b) An employee who is absent without reasonable excuse to the satisfaction of the company on the work day before or after a public holiday shall not be entitled to payment for the public holiday.

- (c) In addition to the above holidays an additional holiday shall be granted each year.
- (d) If a public holiday falls on a day which is not a normal working day for an employee then that employee shall not have any entitlement to that public holiday.

14 - ANNUAL LEAVE

Employees shall receive Annual Leave in accordance with the Annual Holidays Act 1944 as amended.

15 - ANNUAL LEAVE LOADING

- (a) Annual Leave Loading of 17.5% of the appropriate weekly ordinary rate shall be paid on all accrued annual leave which is taken.
- (b) Annual Leave Loading as defined in (a) shall only be paid on termination for any outstanding accrued annual leave. No pro rata entitlements shall be paid for annual leave which has not yet accrued.

16 - LONG SERVICE LEAVE

Entitlement to Long Service Leave shall be in accordance to the provisions of the Long Service Leave Act 1955, as amended.

17 - SICK LEAVE

An employee who is unable to attend for duty during his ordinary working hours by reason of personal illness or personal incapacity not due to his own serious and wilful misconduct, shall be entitled to be paid at ordinary time rate of pay for the time of such non-attendance subject to the following:

- (a) The employee shall not be entitled to paid leave of absence for any period in respect of which he is entitled to compensation under the Workers Compensation Act 1989.
- (b) The employee should, before the commencement of such absence, inform the company of his inability to attend for duty and as far as practicable state the nature of the injury or illness and the estimated duration of the absence.

- (c) The employee shall prove to the satisfaction of the Company by the production of a medical certificate that he was unable on account of illness or injury to attend for duty on the day or days for which sick leave is claimed. Medical certificates which are not dated during the period of absence to which they refer, are not acceptable.
- (d) Subject to the other provisions of this clause, an employee shall be credited with 76 hours paid sick leave in respect of each year of service. Sick leave granted with pay shall be deducted from such credit.
- (e) Service with the Company before the coming into force of this agreement shall be counted as service for the purpose of qualifying for sick leave.
- (f) The payment of any absence on sick leave in accordance with this clause during the first three months of employment of an employee may be withheld by the Company until the employee completes such three months of employment at which time the payments shall be made.

18 - GENERAL CONDITIONS

- (a) Where an employee is required by the Company to wear a uniform, cap, coat, overall, or other uniform dress, it shall be provided at the Company's expense. Employees will be responsible for cleaning the uniforms supplied by the Company.
- (b) Where the nature of the work performed by employees necessitates suitable industrial clothing, including waterproof clothing and/or aprons, rubber boots or clogs, work boots, work shoes, gloves, goggles, etc. they shall be supplied and paid for by the Company and shall remain the property of the Company.
- (c) Employees shall be allowed a rest pause of ten minutes in the first half and in the second half of each day or shift at a convenient time. The Company shall provide hot water during such rest pauses for the purpose of making tea or coffee.
- (d) When an employee is required to stand on concrete, brick or stone floors the Company shall provide a suitable mat or floor covering.
- (e) Laboratory assistants and trainee chemists who, as part of their training, attend technical college classes in approved subjects, shall be allowed to attend at such classes on one half days each week during ordinary working hours without loss of pay.

- (f) A separate dining room, sufficient to accommodate the staff, shall be provided by the Company. Such a dining room shall contain sufficient table and seating accommodation. Hot water shall be provided without cost for the employees and reasonable provision shall be made for the care of employees' luncheons.
- (g) Compensation to the extent of the damage sustained shall be made where, in the course of work, clothing and/or optical glasses are damaged or destroyed by or through the use of corrosive, explosive, inflammable or poisonous substances.
- (h) An employee who is appointed as a first-aid attendant shall be paid an additional payment at the rate of \$1.95 per day or shift.
- (i) No deductions shall be made from an employee's ordinary weekly wages due for time off required by employees to sit for examinations relevant to their employment which have been approved the employer.

19 - PAYMENT OF WAGES

- (a) Wages shall be paid weekly or fortnightly on a nominated day.
- (b) Wages shall be paid direct to the employee's account with a convenient financial institution.
- (c) When an employee's services are terminated he shall be paid all wages due to him at the conclusion of his employment. Such payment shall be made direct to the employee's account.

20 - COMPASSIONATE LEAVE

An employee shall, on the death within Australia of a wife, husband, father, mother, father-in-law, mother-in-law, child or stepchild, brother or sister, be entitled on notice to leave up to and including the day of the funeral of such relation and such leave shall be without reduction of pay for a period not exceeding the number of hours worked by the employee in three ordinary days' work. Proof of such death shall be furnished by the employee to the satisfaction of the employer: provided however, that this clause shall have no operation while the period of entitlement to leave under it coincides with any other period of entitlement to leave. For the purposes of this clause the words "wife" or "husband" shall not include a "wife" or "husband" from whom the employee is separated but shall include a person who lives with the employee as a de facto wife or husband as the case may be.

Provided further that an employee on weekly hiring shall be entitled a maximum of three days' leave without loss of pay on each occasion and on the production of satisfactory evidence of the death outside of Australia of an employee's husband, wife, father, or mother and where such employee travels outside of Australia to attend the funeral.

21 - BLOOD DONOR LEAVE

Where blood donation facilities are made available at the Company or at some other nearby place, an employee who donates blood at such facility during his ordinary working hours shall be entitled to one hour's paid leave on each occasion for that purpose provided that before making payment for such leave, the company may require satisfactory proof of the employee's blood donation. Production of the relevant Blood Bank card or certificate, properly completed, shall constitute such satisfactory proof.

22 - JURY SERVICE

An employee shall be allowed leave of absence during any period when required to attend for jury service.

During such leave of absence, an employee shall be paid the difference between the jury service fees received and the employee's award rate of pay as if working.

An employee shall be required to produce to the employer proof of jury service fees received and proof of requirement to attend and attendance on jury service and shall give the employer notice of such requirements as soon as practicable after receiving notification to attend for jury service.

23 - DISPUTES PROCEDURE

1. Procedures relating to grievances of individuals employees

- (a) the employee is required to notify (in writing or otherwise) the employer as to the substance of the grievance, request a meeting with the employer for bilateral discussions and state the remedy sought.
- (b) A grievance must initially be dealt with as close to its source as possible, with graduated steps for further discussion and resolution at higher levels of authority.

- (c) Reasonable time limits must be allowed for discussion at each level of authority.
- (d) At the conclusion of the discussion, the employer must provide a response to the employee's grievance, if the matter has not been resolved, including reasons for not implementing any proposed remedy.
- (e) While a procedure is being followed, normal work must continue.
- (f) If the grievance remains unresolved it shall be taken to the Industrial Relations Commission of New South Wales.

2. Procedures relating to disputes etc. between employers and their employees

- (a) A question, dispute or difficulty must initially be dealt with as close to its source as possible, with graduated steps for further discussion and resolution at higher levels of authority.
- (b) Reasonable time limits must be allowed for discussion at each level of authority.
- (c) While a procedure is being followed, normal work must continue.
- (d) If the dispute remains unresolved it shall be taken to the Industrial Relations Commission.

24 - PROFIT SHARING

- (a) All employees under this agreement will receive a share of the profits of **DFC Thompson Pty Ltd.**
- (b) Profit is defined as the surplus on the trading activities of **DFC Thompson Pty Ltd.**
- (c) Five per cent of the annual profit shall be available for distribution to the employees under this agreement so that each employee receives an equal share based on the number of hours worked.
- (d) Any employee whose employment terminates for reasons other than misconduct shall receive a share of the profits, calculated as above, up to the date of termination only.

25 - SUPERANNUATION

- (a) The Company shall pay the appropriate amount as determined by legislation of each employee's ordinary time earnings to the Australian Superannuation Savings Employment Trust. (ASSET)
- (b) The ordinary time earnings shall be the ordinary rate of pay for each employee as agreed from time to time plus any shift allowance.
- (c) The Company shall ensure that each employee is given a statement of their accumulated contributions made on his/her behalf at least annually and shall retain records of those contributions.
- (d) In the case of a casual employee the number of ordinary hours worked in each week multiplied by the appropriate hourly rate for the classification of the employee for ordinary hours of work (including, where applicable, special rates, shift allowance rates, dirt money, or first-aid attendant rate) plus 15% of that sum, for ordinary hours of work.

26 - DECLARATION

The parties declare that this Agreement:

- (a) Is not contrary to public interest.
- (b) Is not unfair, harsh or unreasonable.
- (c) Was at no stage entered into under duress; and
- (d) Reflects the interests and desires of the parties.

27 - PROFIT SHARING SCHEME

In order for employees of DFC Thompson Pty. Limited to be eligible as members of the Profit Sharing Scheme, they must either;

- (a) Be members of managerial staff; or
- (b) Be covered by this Enterprise Agreement.

Objective of the scheme

Our basic Company goal is to strive together to give our customers exactly the quality they want plus first class service and to make good profits so we can keep jobs secure and afford to improve constantly.

As an important step in this process we want to adopt the new Enterprise Agreement Philosophy and make Profit Sharing part of this Agreement.

Our profit sharing scheme

We shall base payment on 5% of the nett profit each month. i.e. subtracting our expenses from our sales figure.

The only expenses not deducted are for entertainment so it can never be thought that management "extravaganzas" are reducing the profit available for sharing.

As a participant in the scheme we want you to see that your welfare and the Company's welfare are closely linked. You will have an incentive to increase sales and minimise costs for such things as electricity, uniforms, stationery, yield losses, machine breakages etc.

We can increase sales by doing our work well and quickly, and presenting the products exactly as our customers want them. The more work we can complete in a month the higher the sales figure will be and the higher your share.

August, September, October and November are generally the excellent months.

The bad months are December and January. In December we have fewer than usual sales days and enormous holiday pay expenses. In January wages are modest but sales are very low.

To minimise the wage cost, which is our biggest cost at about 67% of total costs, we have to be sure all time is used well, delays are minimised and changeovers are done quickly. There is NO LIMIT to the amount you can earn from the growth of the business. For the purpose of calculating profit our existing activities will be considered which include manufacturing and packaging dry products including capsules and tablets. If we add on some quite new activity, we shall consider that separately.

Are there any risks in participating in the Scheme?

No. Each month you will see all the figures and calculations plus your share for the month and your accumulated share. At worst your accumulated share may be

zero for the period.

What do we expect from you for a share in the profit?

We expect you to be committed and to participate in all our improvement programmes as though you owned the Company.

How to participate in the Scheme?

After six months' probation we shall invite new staff members to join the scheme and membership will be probationary for a further six months.

We shall calculate the accumulated share figure and monthly share figure by about the 10th of each month and pin the results on the notice board. The Profit Share amount will accumulate and be paid at the year ending 30th November. Members could reasonably expect to be paid the yearly accumulated Profit Share amount by about December 10th each year.

We believe it is very important that members understand the risks in business. If we make a loss in one of the bad months then members share of the loss will be deducted from their accumulated share. In the event that the business makes a loss for the year members accumulated share for the year would be zero.

On our figures for 1990 to 1992 it may be reasonably expected that each member of the Profit Share Scheme will receive about \$380.00 p.a., increasing as we grow and improve our efficiency.

The member's accumulated share will be paid to a member of a Profit Sharing Scheme who's employment is terminated with the Company. The members current accumulated share will be paid to the end of the last completed month of service.

Of course the taxman will take his cut out of it – just as he does with wages.

We very much hope you will be stimulated by this scheme to take a close interest in Company affairs and to question expenditures and support opportunities at our regular meetings.

28 - FUTURE NEGOTIATIONS

The Parties agree to commence negotiations on a new agreement no later than 1 November 1993.

AGREED TO AND SIGNED:

DFC THOMPSON PTY. LIMITED, 1/32 LEIGHTON PLACE, HORNSBY N.S.W. 2077

SIGNED BY, ON BEHALF OF DFC THOMPSON PTY. LIMITED.

DATE: 8/4/93

NAME AND TITLE: Desmond THOMPSON, Director

SIGNATURE: *Thompson*

STAFF OF DFC THOMPSON, SIGNED IN AGREEMENT WITH THIS ENTERPRISE AGREEMENT.

<u>DON CAMERON</u>	<u><i>[Signature]</i></u>
<u>LINDA GADES</u>	<u><i>[Signature]</i></u>
<u>ANN MCCARTNEY</u>	<u><i>a mc Carthy</i></u>
<u>JASON HU</u>	<u><i>[Signature]</i></u>
<u>JANET HARRISON</u>	<u><i>J. Harrison</i></u>
<u>STEPHEN G. JONES</u>	<u><i>[Signature]</i></u>
<u>PETER NASH</u>	<u><i>[Signature]</i></u>
<u>SANDY STOKES</u>	<u><i>[Signature]</i></u>
<u>CAMERON SCOTT</u>	<u><i>[Signature]</i></u>
<u>HELEN BURNETT</u>	<u><i>Helen Burnett</i></u>
<u>HONG TIANG</u>	<u><i>[Signature]</i></u>
<u>HUGH BUTLER</u>	<u><i>[Signature]</i></u>

VAL RUDJ	Chy...
BARBARA SKELTON	skelton
KORINE A THOMPSON	Thompson
MAUREEN CARTER	M Carter
DORIS DEW	D Dew
SANDRA TARRANT	Sandra Tarrant
Alan TARRANT	Alan Tarrant
JULIAN RAKUITA	J Rakuita
STEPHEN FELLOWS	Stf Fellows

WITNESSED BY: CAMERON WYLIE SCOTT

DATE: 14.4.93

NAME: _____

SIGNATURE: 