

ENTERPRISE AGREEMENT

NO: E.A. 120 /1996

DATE REGISTERED: 6-5-96

PRICE: \$ 20-00

CERTIFIED AGREEMENT

1. TITLE

This agreement shall be known as the Pilkington (Australia) Operations Limited Glass Division Tamworth Enterprise Agreement Stage II 1995.

2. ARRANGEMENT

The agreement is arranged as follows:

| <u>CLAUSE</u> | <u>SUBJECT MATTER</u> |
|---------------|--|
| 3 | Application |
| 4 | Life of Agreement |
| 5 | Relationship to Parent Award and Existing Conditions |
| 6 | Aim of Agreement |
| 7 | Wage Rates |
| 8 | Measures to Achieve Gains in Productivity Efficiency and Flexibility |
| 9 | Disputes Settlement Procedure |
| 10 | Minimum Conditions of Employment |
| 11 | Duress |
| 12 | Not to be Used as a Precedent |
| 13 | No Extra Claims |

Appendix 1 - Attendance incentive

Appendix 2 - Credit Notes

3. APPLICATION

This agreement shall apply to the Pilkington (Australia) Operations Limited Glass Marketing and Sales Division operations conducted at the Tamworth plant in respect of all its employees covered by the Glass Workers (State) Award 1991 and the Transport Industry Mixed Enterprises - State Award, in particular the classifications of cutter/glazier and truck drivers. This agreement does not apply to other Company operations located in New South Wales.

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4. LIFE OF AGREEMENT

This agreement shall take effect from date of registration, and shall operate from the beginning of the first pay period to commence on, or after, the date of registration and shall remain in force for a period of 36 months.

5. RELATIONSHIP TO PARENT AWARD AND EXISTING CONDITIONS

This agreement shall be read and interpreted wholly in conjunction with the award provided that where there is any inconsistency, this agreement shall take precedence to the extent of the inconsistency.

6. AIM OF AGREEMENT

As a team Pilkington (Australia) Operations Limited is committed to supplying superior customer service to the Flat and Automotive Glass markets with "World Class Products" (by the most direct and effective route), ensuring acceptable profitability and creating a safe and challenging environment for employees.

This Agreement is intended to achieve the following objectives:

- to continue to enhance the Pilkington (Australia) Operations Limited - Glass Division Tamworth Enterprise Agreement (EA 164/94).
- to provide a firm basis for a co-operative work environment at all levels of the enterprise.

The parties to the Agreement have recognised that this Agreement represents an opportunity for the plant to achieve significant advances by providing products of the highest quality at optimum cost, excellent customer service through highly trained and motivated employees.

The parties acknowledge the Company needs to reduce order turnaround and improve customer service and quality to retain competitiveness.

The parties are committed to work towards improving the production process and quality of the product, to achieve customer satisfaction.

This Agreement is intended to achieve the following objectives:

- a. To maximise the benefits for flexibility without demarcations, and to provide the basis for cultural change leading to improved productivity.
- b. To ensure the stability and experience of key skilled areas is maintained to ensure the highest attainable productivity, quality and customer service.

- c. To respond to demand for customer specific production which has increased the need for flexibility.
- d. To continue working towards the attainment of the Company's vision of World Class Glass.
- e. To maintain quality assurance standards to I.S.O.9002.

The current work culture is recognised by the parties as being a successful product of the first Stage Agreement with the parties agreeing to continue their efforts to maintain and further enrich the results being achieved. Using this improved cultural background, it is proposed in this Stage II Agreement to focus on measurable results and to provide incentives which recognise these results.

7. WAGE RATES

7.1 The increases to wages and allowances referred to Sub-Clause 7.3:

- i) Shall be in addition to rates currently paid and shall not be absorbed into any over Award payment.
- ii) The amount shown in Sub-Clause 7.3 in the column First Stage shall be payable from the beginning of the first full pay period to commence on or after the date of operation of this Agreement.
- iii) The amount shown in Sub-Clause 7.3 in the column Second Stage shall be payable from the beginning of the first full pay period, 12 months after the registration of this agreement.
- iv) The amount shown in Sub-Clause 7.3 in the column Third Stage shall be payable from the beginning of the first full pay period, 24 months after the registration of this agreement.

7.2:

- i) Further increases may occur if performance targets are achieved. The performance targets are attached in Appendices 1 and 2. These payments would be made as one-off payments. For example, if performance is such that a level of 1.0% is attained for Appendix 2 then employees will receive a \$200.00 one off payment for reaching this target. this can be achieved every twelve months (or three times) during the life of the agreement for each of the two targets.

There will be three performance review dates which will occur twelve monthly with the first review occurring twelve months after the registration of this agreement.

- ii) After each twelve monthly review period, the performance matrices will be reviewed to ensure that they reflect current productivity, market and operational conditions.

- iii) The intent of these performance targets is to ensure continuous improvements in safety, productivity and customer service are achieved.

7.3

| Classification | Existing Rate | First Stage 4% | Second Stage 2% | Third Stage 2% |
|----------------|---------------|-------------------|--------------------|-------------------|
| Cutter/Glazier | \$452.16 | \$470.25 | \$479.65 | \$489.25 |
| Truck Driver | \$430.31 | \$447.52 | \$456.47 | \$465.60 |

8. MEASURES TO ACHIEVE GAINS IN PRODUCTIVITY EFFICIENCY AND FLEXIBILITY

Consistent with the terms and conditions of the decision in October 1991, National Wage Case (Print K0300), the following measures have been agreed between the parties. It is recognised that in order to achieve our productivity gains, fine tuning needs to apply to our current work practices and to our flexibility of labour. No demarcations will be practised where adequate skills levels and training exist.

The following measures which are designed to achieve real demonstrable gains in productivity, efficiency and flexibility will be implemented for the life of this agreement:

8.1 **Hours of Work and Rostered Days Off**

The ordinary hours of work shall be between 4.00 a.m. and 7.00 p.m. The parties recognise that this is to facilitate customer demands.

The parties agree to continue the 38 hour week implementation by finishing two hours early on Fridays.

8.3 **Payment of Wages**

Wages shall be paid on a weekly basis by electronic funds transfer. Twelve months after the registration of this agreement, wages may be paid fortnightly provided all other branches in Pilkington Marketing & Sales, New South Wales, are on fortnightly pay.

8.5 **Uniforms and Safety Gear**

Employees covered by this agreement will be supplied with adequate numbers of uniforms and, as a result, will be required to wear their set of uniform at all times. All employees will be required to wear their designated personal protective equipment. Failure to wear personal protective equipment will result in disciplinary proceedings.

8.6 Casuals

A casual employee is one engaged and paid as such. A casual employee for working ordinary time shall be paid per hour one thirty eight of the weekly award prescribed herein for the work he/she performs, plus twenty percent.

8.7 No Smoking Policy

Employees will abide by the branches policy on no smoking in the lunch room or office. The parties agree that no employee is permitted time off to smoke in work hours and those that do will be subject to disciplinary proceedings. The aim will be to a total ban twelve months after ratification of this agreement.

8.8 Occupational Health and Safety

The parties agree to actively participate in the site's Occupational Health and Safety Committee. The Committee will be responsible for devising and recommending to management an occupational health and safety programme and plan which will be pro-active in reducing the incidence of accident and injury. The guidelines for the committee are in Appendix 3.

8.9 Competency-Based Training

A national structure is being developed for Pilkington (Australia) Operations Limited, Sales & Marketing Division, in relation to a competency-based training system. The company would seek accreditation of the framework and private provider status which would allow the delivery of the training to be handled in-house and recipients of the training to gain recognised T.A.F.E. certification. The parties agree to the introduction of this system when developed.

8.10 Overtime Banking

The parties agree that in situations where overtime is worked, that this time can be banked and taken off in lieu at single time rates at a mutually beneficial time. This must be by mutual agreement. The maximum that may be accrued at any one time is 80 hours.

8.11 Public Holidays

The parties agree that any public holiday or picnic day can, by mutual agreement, be substituted for any other day to facilitate customer demand.

9. DISPUTE SETTLEMENT PROCEDURE

The parties to this agreement shall observe the procedures set out in clause 14 of the Pilkington (Aust) Operations Ltd Glass Division Tamworth Enterprise Agreement (EA 164/94) for settlement of disputes.

10. MINIMUM CONDITIONS OF EMPLOYMENT

The ordinary hours of work shall be no more than an average 38 per week as prescribed the Glass Workers (State) Award.

An employee shall be entitled to sick leave in accordance with the Glass Workers (State) Award.

11. DURESS

The parties declare that this agreement was not entered into under duress.

12. NOT TO BE USED AS A PRECEDENT

This Agreement has been negotiated having regard to the particular structure, history, practices, and market situation of the operations covered by it and shall not be used in any manner whatsoever to obtain similar arrangements or benefits in any other plant, site or enterprise.

13. NO EXTRA CLAIMS

The parties have agreed not to pursue any overaward claims during the life of this agreement.

ENTERPRISE AGREEMENT MATRIX

ATTENDANCE INCENTIVE

To be reviewed and applied on a twelve monthly basis

| | |
|----------------------------|----------|
| TARGET | 1 % |
| PERFORMANCE PAYMENT | \$200.00 |

PLANT ABSENTEEISM

(Total hours absent / total hours scheduled) x 100

CURRENTLY ACHIEVING 1.7% PLANT ABSENTEEISM

Long term Sickness and Worker's Compensation will not be taken into account when finalising this figure.

ENTERPRISE AGREEMENT MATRIX

CREDIT NOTES

To be reviewed and applied on a twelve monthly basis

| | |
|----------------------------|----------|
| TARGET | 1 % |
| PERFORMANCE PAYMENT | \$200.00 |

The targets applied above are monthly average targets.

Both number and cost targets must be reached for each level.

This measure is recognised as a real indicator of quality of product supplied to the customer. As such, its benefits will be to reduce errors to customers and improve customer satisfaction.

HEALTH AND SAFETY COMMITTEE

1. CONCEPT

To develop and recommend an occupational health and safety program and plan.

2. GUIDELINES

To cover the following areas:

- * Environmental modification and monitoring.
- * Individual screening and monitoring
- * Individual behavioural change.
- * Organisation of work.

3. PROCESS

Committee to consist of Production Manager and representatives from each team.

Steps in process are to:

- * Identify and review existing measures.
- * Brainstorm additional measures.
- * Benchmark against other organisations.
- * Assess outcome against criteria.

4. CRITERIA

- * Relevant to organisation.
- * Related to increasing workplace health and safety.

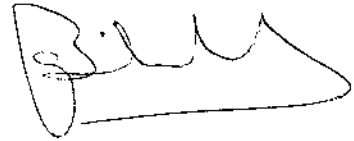
5. OUTCOMES

- * Obtain feedback, review and modify plan and program.
- * Integrate with day to day workload.

THIS AGREEMENT IS THE RESULT OF DISCUSSIONS BETWEEN
MANAGEMENT AT PILKINGTON (AUSTRALIA) OPERATIONS LIMITED AND
THE EMPLOYEES COVERED BY THE GLASS WORKERS (STATE) AWARD

SIGNED FOR AND ON BEHALF OF PILKINGTON (AUSTRALIA) OPERATIONS
LIMITED

GARY BEIKOFF
HUMAN RESOURCES MANAGER



SIGNED BY THE EMPLOYEES OF PILKINGTON (AUSTRALIA) OPERATIONS
LIMITED - TAMWORTH BRANCH ON ~~27th~~ 23rd OCTOBER 1995.

KEN LEWIS

Ken Lewis
Signature

23-10-95
Date

GRAHAM LOWE

Graham Lowe
Signature

23/10/95
Date

JEREMY TODD

Jeremy Todd
Signature

23-10-95
Date

BRUCE WHEELER

Bruce Wheeler
Signature

23-10-95
Date

MATTHEW WHITE

Matthew White
Signature

23-10-95
Date

WAYNE COLLIER

Wayne Collier
Signature

23-10-95
Date

PETER GIBBES

Peter Gibbes
Signature

23/10/95
Date