

# ENTERPRISE AGREEMENT

NO: E.A. 195 /1996

DATE REGISTERED: 5-7-96

PRICE: \$ 50-00

New South Wales Industrial Relations Act 1991

NEW SOUTH WALES INDUSTRIAL RELATIONS COMMISSION

APPLICATION FOR CERTIFICATION OF AN AGREEMENT UNDER SECTIONS 115 - 142, OF THE NEW SOUTH WALES INDUSTRIAL RELATIONS ACT 1991

in the matter of

National Union of Workers (New South Wales branch)

and

Furniture Australia Pty Ltd

Application is made by:

- (a) Furniture Australia Pty Limited
(b) The National Union of Workers

for the certification of the memorandum of agreement, attached as Annexure A to this application, reached in part settlement of the above mentioned matter.

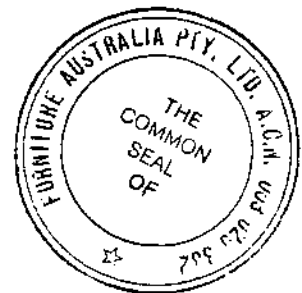
This memorandum of agreement applies only to a single business.

Furniture Australia Pty Limited

[Signature of Robert H. Kelly]

Dated this 24th day of November, 1995

[Handwritten signature]



The National Union of Workers (New South Wales branch)

[Signature]

Dated this 8th day of Dec, 1995

**FURNITURE AUSTRALIA PTY LTD  
(Enterprise Bargaining) Agreement**

**ARRANGEMENT**

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**CLAUSE 1 TITLE**

This agreement shall be known as the Furniture Australia Pty Ltd (Enterprise Bargaining) Agreement.

**CLAUSE 2 APPLICATION AND INCIDENCE OF AGREEMENT**

This agreement shall apply at the Lidcombe site of Furniture Australia Pty Ltd and apply to employees covered by the Storeman and Packers General (State) Award.

**CLAUSE 3 PARTIES BOUND**

This Agreement shall be binding on:-

(a) Furniture Australia Pty Ltd with respect to its manufacturing operations at 195 John Street Lidcombe.

(b) All employees of Furniture Australia Pty Ltd who are members or eligible to be members of the National Union of Workers (NSW Branch) 3 - 5 Bridge Street Granville, and who are engaged in any of the occupations or callings specified in the parent award.

(c) This Enterprise Agreement was not entered into under duress by any party to it.

**CLAUSE 4 DATE AND PERIOD OF OPERATIONS**

This agreement shall operate from the date of registration and will remain in force until 7th ~~June~~ 1997.

*Bo.*  
*JULY 2000*  
The 7% increase provided in clause 7(a) takes effect on and from the date of registration. Employees covered by the agreement at the date of registration will receive the increase from 7 June 1995 or the date of employment whichever is the later.

**CLAUSE 5 RELATIONSHIP TO PARENT AWARD**

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

**CLAUSE 6 AIM OF THE AGREEMENT**

The aim of this agreement is to establish the manufacturing operation of Furniture Australia as a viable production and distribution operation in a fiercely competitive market. The objective is for the operation to be responsive to customer needs with timely, quality assured product, efficiently produced and delivered. The objective is to be met by:

- establishing a structure to promote in Furniture Australia Ltd a culture strongly orientated to customer service

- training to broaden existing skills and develop new ones to provide better, more satisfying jobs, access to career advancement and the ability to work across different jobs subject only to restrictions imposed by level of training and statutory requirements.
- empowering employees to allow them to assume greater responsibility for their work and its quality.

The parties to this agreement believe that it establishes the basis for a process of continuous improvement in the manufacturing operations of Furniture Australia.

#### CLAUSE 7 HOURS OF WORK

The parties have agreed to develop and implement guidelines via each Employee Consultative Committee to enable the company to react quickly to short lead times for the following.

- i. Staggered starting and finishing times within the normal span of hours.
- ii. Staggered meal breaks as required to maintain production. Employees required to work more than 5 hours without a meal break shall be paid at overtime rates until allowed the meal break.
- iii. Part time employees and / or supplementary labour to be utilised to supplement the workforce.

#### CLAUSE 8 FLEXIBLE WORKING PATTERNS

The parties have agreed to discuss, consult and trial, by agreement, via the Employee Consultative Committee, alternative working patterns during the life of the agreement.

#### CLAUSE 9 PAYMENT OF WAGES

The parties have agreed to discuss, consult and trial, by agreement via the Employee Consultative Committee, alternative pay arrangements designed to reduce the cost of administering payroll.

## CLAUSE 10 DEMARCATION

It is agreed by the parties that they will work towards resolving any demarcation on the site provided that employees are not required to carry out duties that are outside the limits of their skills, competence, classification and training.

## CLAUSE 11 CLASSIFICATION STRUCTURE

A classification structure is to be established to encourage employees to increase their range of level of skills and to assist the Company to manufacture efficiently and with a high level of quality. Employees may be directed to carry out such duties and use such equipment as are within the employee's competence, consistent with the Company's responsibility to provide a healthy and safe working environment, provided such duties are not designed to promote de-skilling. Subject to the necessary supervision, employees may be required to assist other employees, work in groups or work alone.

### Job Analysis and Skills Audit

- (a) A job analysis and skills audit of all employees will be conducted to determine skill levels and requirements within the company. The results of this process will highlight areas for better utilisation of existing skills and areas that need skills improvement. The job analysis for all positions will ensure that all employees are correctly classified under the appropriate award.
- (b) Subject to the needs of production and the principle of skills usage, employees shall be provided with a structured programme of training which will enable them to perform the range of duties embraced in the employees' classification level. Employees shall not unreasonably refuse to undertake training within a classification level.  
Subject to the needs of production, employees shall be provided with the opportunity to participate in a structured programme of training to allow the acquisition of skills required of the next higher level. Employees shall be reviewed for progress in skills acquisition each six months.
- (c) Implementation will be consistent with the relevant unions grade structure manual or award process.
- (d) There will be an accelerated skills classification audit undertaken at Lidcombe site. This exercise will be conducted under the auspices of the ECC and shall be finalised by end of November 1995. Any difficulties will be dealt with as per the disputes settling procedures.

## CLAUSE 12 TRAINING

The principal objective of training is to improve efficiency and productivity while providing employees with more varied jobs and opportunities for career development.

The parties agree that training will proceed consistent with the Training and Skills Development requirements of each relevant award.

### CLAUSE 13 WAGE INCREASES

The parties are committed to productivity improvement within each enterprise that may require, in instances, changes to existing work practices and related employment conditions. Further, the parties acknowledge that such changes can only be achieved where all parties are participating actively and positively in the process. The parties therefore agree that they will pursue appropriate changes to work practices and conditions of employment, in a positive and proactive manner.

The parties agree that a wage increase of 12% over the existing rates of pay will occur in two instalments, twelve months apart, and paid as follows:

- (a) 7% from the first pay period on or after 7th June 1995,
- (b) 5% in the second year from the first pay period on or after 7th June 1996.

The wage increases prescribed by this clause shall be applied to an employee's ordinary pay rate. "Ordinary Pay" shall mean the employees award rate plus overaward payment. The ordinary pay rate after the increase for each employee prior to the agreement is recorded in a written form in the wages records of the Company which will be maintained at the Company's office.

### CLAUSE 14 NO EXTRA CLAIMS

During the period of this agreement all parties agree that no further claims will be made in relation to matters agreed in this agreement unless in accordance with a recommendation of the Australian Industrial Relations Commission through a National Wage case decision.

### CLAUSE 15 QUALITY

"In pursuit of the objective of improving world competitiveness, Furniture Australia will be seeking accreditation to the AS/NZS9001 (ISO9001) Quality Standard. This standard requires the implementation of a Total Quality Management System which relies on a formal documentation procedure. Employees agree to participate and implement this process of accreditation to AS/NZS9001 (ISO9001) through the Employee Consultative Committee."

### CLAUSE 16 PERFORMANCE INDICATORS

Consistent with Clause 13, work will commence immediately in establishing specific targets and performance measures which and shall be subject to continuous monitoring and monthly review to ensure that expected performance improvement actually occurs. The process is to be developed during the life of this agreement. In particular, adverse

movements in the productivity measures will be a primary trigger for the review procedure.

Accordingly, in the event that performance fails to match expectations, or subsequently deteriorates, the following steps will be taken within a further two (2) week period:

- i. The appropriate Consultative Committee team will investigate and determine the potential cause(s) for shortfall in performance. If necessary, appropriate sub-committee(s) will be appointed to advise in this regard, any may involve isolating a shortfall in any of the many performance measures.
- ii. Where causes are determined then a plan for corrective action will be developed and implemented in order to regain the appropriate performance in performance measures.
- iii. Where the Consultative Committee team is unable to determine potential cause(s) every effort shall be made, including direct involvement of agreed third party advisers, to determine the cause(s) for shortfall in performance in order that corrective action may be initiated.

Indicators will include:

- Safety - site specific
- Workers Compensation
- Rework
- Output per hour
- Scrap
- On time completion of jobs

#### CLAUSE 17 REDUNDANCY ARRANGEMENTS ( see appendix iii )

Employees who are retrenched shall be paid three weeks pay for each year of service or part thereof, with a maximum payment of up to sixty five (65) weeks.

#### CLAUSE 18 SICK LEAVE

Sick leave will be as per the relevant Award as in Clause 2 of the agreement. Absenteeism and sick leave will be monitored as an ongoing agenda item for discussion at ECC meetings.

#### CLAUSE 19 OVERTIME

Overtime rates will be paid at time and a half for the first two hours and double time thereafter.



## CLAUSE 20 ROSTERED DAYS OFF

To be considered through the consultative process.

## CLAUSE 21 WORKERS COMPENSATION

Upon acceptance by the company's provider for a workers compensation claim.

The company agrees for a period of 6 months, to pay the difference of any shortfall that may occur while employees are receiving workers compensation payments. That is, the company will ensure the workers will not suffer a reduction in their ordinary time earnings, this includes overaward payments (not overtime) and any increases through enterprise bargaining.

When the six (6) month period has expired, an individual's case for continued top up workers compensation payment will be reviewed by management.

## CLAUSE 22 RETIREMENT PLAN

This item will be the subject of ongoing discussion with the Consultative Committee.

## CLAUSE 23 IMPLEMENTATION

The parties agree to review and monitor the implementation of all clauses at each consultative meeting; this will be a standing agenda item.

A table listing schedule and date of implementation, including review methodology will be agreed and negotiated between the parties.

## CLAUSE 24 IMPLEMENTATION OF THE SKILLS BASED GRADE STRUCTURE

- (a) The parties agree to the transfer of all workers to the new skill based grade structure at a level appropriate to their skills, knowledge, and responsibility as agreed between the parties.

Where translation to the new grade structure has occurred, the parties agree to review the placement of all employees within the structure, using the guidelines laid out in the Grade Structure Implementation Manual. The review will be carried out through the enterprise consultative committee. The recommendations of the review will be forwarded to the relevant union office for approval prior to implementation.

It is agreed that the skill based structure will contribute to the improved productivity, efficiency and flexibility within the enterprise by:

- (i) broadening the skill base;

- (ii) enabling employees to work flexibly between work stations and perform work peripheral to their main task;
  - (iii) employees carrying out work to the full capacity of their training, skill and a competence, consistent with the grade structure, providing such duties do not result in deskilling.
- (b) The parties agree to continue to improve and upgrade the skills of the workforce. A skills development and training agreement will be negotiated at the Consultative Committee during the life of the agreement.

All skills development will be consistent with the appropriate competency standards.

- (c) The improvement of English language, literacy and numeracy skills is directly related to the success of industry, workplace and training reforms.

The parties recognise the importance of and relevance of English language, numeracy and literacy training in addressing workplace issues including:

- (i) increasing health and safety performance;
- (ii) Improving communication;
- (iii) assisting workers to progress to higher grades;
- (iv) enabling workers to be fully involved in all workplace activities and consultative processes;
- (v) implementing workplace changes necessary to address English language, literacy and numeracy needs of employees.

The parties agree to establish a process to address the literacy needs of workers through the ECC, including:

- (vi) identifying the literacy and numeracy needs of employees;
- (vii) developing a training strategy to meet these needs;
- (vii) identifying suitable training provider and training.

It is agreed that all workers will have equal access to training.

- (d) The parties agree to compliment the enterprise training reform agenda by introducing structured training under the Australian Vocational Training System.

The AVTS will greatly increase the amount of vocational education carried out, this training will be focussed on effectiveness at the enterprise.

The AVTS is an integrated training system that contains education, training and structures work experience in the one program. The aim of the AVTS is to ensure trainees develop:

- (i) language and communication;

- (ii) mathematics;
- (iii) scientific and technological understanding;
- (iv) cultural understanding;
- (v) problem solving;
- (vi) personal and interpersonal relations.

Vocational competencies which are the knowledge and skills acquired and applied by individuals to perform a particular job to a required standard. These competencies will comply with national standards and will be recognised by the National Training Board.

The advantages of the AVTS is that it is a national training system, therefore, all certificates, training and assessment methods are nationally portable.

Trainees will be granted credit for knowledge and skills acquired prior to commencing the AVTS.

Trainees will develop both key and vocational competencies required to perform a particular job. Training and assessment within the AVTS is competency based. Trainees can complete each level at their own pace and be assessed on an individual basis.

The AVTS is open to all workers of any age. Certificates will be awarded when the trainee can demonstrate the competencies required for an AVTS level. The AVTS is competency based which is measured against National Industry Standards and recognises learning prior to the introduction of AVTS.

The parties recognise the role of Group Training Companies in the delivery of AVTS; it is agreed that Furniture Australia will provide placements as a host employer for trainees employed by the Timber and Related Allied Industries NSW Group Training Scheme Company. Its role will be to manage and monitor AVTS projects, including the recruitment and placement of trainees. TRAIN will pay the trainees weekly wage and other Award requirements, including holiday, sick leave, etc. Furniture Australia will pay TRAIN a weekly charge out rate which covers the trainees wages and on-costs.

## CLAUSE 25 EQUAL EMPLOYMENT OPPORTUNITY AND AFFIRMATIVE ACTION

Equal Employment Opportunity is about removing discrimination at the workplace and ensuring that all people have the same opportunities to enter and progress in the workforce.

Affirmative Action is the planned process through which Equal Employment Opportunity is achieved. In addition, to abiding by relevant legislation, the parties agree to develop and implement an agreed policy to break down existing barriers to ensure that individuals have the same rights and opportunities to training, job access and advancement.

The parties will undertake a number of measures to assist in the implementation of Affirmative Action:

- (i) issue an agreed policy statement to all employees;
- (ii) confer responsibility for the program on both employer and employee representative;
- (iii) consult with the union/s;
- (iv) consult with employees, particularly the target groups;
- (v) establish and analyse the employment profile of the workplace;
- (vi) review enterprise employment policies and practises;
- (vii) set objectives and forward estimates; and
- (viii) monitor and evaluate the program.

All the above strategies will be progressed through the ECC.

## CLAUSE 26 CONSULTATIVE ARRANGEMENTS

The parties have agreed to build on the consultative arrangements developed during the negotiation of this agreement and to provide for a formal ongoing consultative committee at each site.

- (a) The parties have agreed a process for the establishment of the ongoing committee and have agreed training arrangements for its members.
- (b) The committee is intended to provide a forum for the discussion of issues affecting the employees and operation of the plant including training and employee career paths, quality, productivity and the introduction of new technology or processes. The committee shall not negotiate industrial outcomes nor oversee occupational health and safety..
- (c) The committee shall determine its own processes and shall be able to request an attendance or persons deemed appropriate and to delegate investigations or discussions to working parties. References to the committee shall also mean any working party or group established by the committee.

## CLAUSE 27 SMOKING POLICY

The parties have agreed to adopt the company smoking policy detailed in Appendix I.

## CLAUSE 28 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 standard hours of work, annual leave or long service leave.

## CLAUSE 29 AVOIDANCE OF INDUSTRIAL DISPUTES

It is the intention of this Agreement to eliminate disputes which result in stoppages, ban or limitations and it is agreed that the parties to this Agreement shall confer in good faith with a view to resolving the matter by direct negotiations and consultation.

The parties further agree that subject to the provisions of the NSW Industrial Relations Act, 1991, all grievances claims or disputes shall be dealt with in the following manner so as to ensure the orderly settlement of the matters in question:

- (a) Any grievance or dispute which arises shall, where possible, be settled by discussion on the job between the employee and the supervisor.
- (b) If the matter is not resolved at this level, the matter will be further discussed between the affected employee, the Shop Steward and the Supervisor and the Plant Manager (or his / her delegate).
- (c) If no agreement is reached, the relevant Union Organiser and Shop Steward will discuss the matter with the Plant Manager or his / her delegate.
- (d) If no agreement is reached, the matter will be deferred to the Union Secretary who will discuss it with the Company's nominated industrial Relations Representative.
- (e) Should the matter still not be resolved, it may be referred by the parties to the New South Wales Industrial Relations Commission.
- (f) Whilst the foregoing procedure is being followed, work shall continue normally where it is agreed that there is an existing custom, but in other cases, the work shall continue in accordance with the direction of the Company. No party shall be prejudiced as to the final settlement by the continuance of work in accordance with this sub-clause.

## CLAUSE 30 NOT TO BE USED AS A PRECEDENT

This agreement shall not be used in any manner whatsoever to obtain similar arrangements or benefits in any other plant or enterprise.

## CLAUSE 31 RENEWAL OF AGREEMENT

It is agreed between the parties that prior to any initiatives being taken by renew or replace this agreement, discussions will commence no later than 2 months prior to the expiration of the agreement between the parties to determine the appropriate course of action in respect of this agreement.

<sup>32</sup>  
**CLAUSE ~~25~~ SCOPE OF THE AGREEMENT**

Upon certification of this agreement, issues within this agreement will supersede any and all previous agreements entered into by the parties.

BS.  
RM

Signed for and on behalf of the  
National Union of Workers (New South Wales branch)

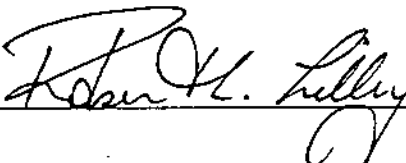


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The State Secretary

Date: 8.12.95

Signed for and on behalf of  
Furniture Australia Pty Ltd



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Date: 24th November 1995.

## Appendix I

### SMOKING POLICY

Furniture Australia Pty Ltd is a leading commercial furniture manufacturer for Australia and overseas markets.

The company recognises its employees as its most important asset, and are committed to providing a healthy and safe working environment for all.

While the right of the individual to smoke is recognised, at the same time the company recognises that non-smokers must be protected from the effects of smoking in work areas.

As from 1 July 1994, smoking will only be permitted in specific areas and during designated work breaks (morning tea, lunch and afternoon tea).

Employees will be encouraged not to smoke during working hours, but those employees experiencing difficulty with this will be offered support to assist them to stop smoking through Quit smoking courses.

The specific smoking areas for each site are listed below:

- |                               |   |   |
|-------------------------------|---|---|
| Caringbah                     | - | Building A - Behind Block A in carpark  |
|                               |   | Building B - The entrance to Production Planning<br>Outside Dispatch (side road)  |
|                               |   | Building C - Store entrance (central road way)<br>Dispatch bay (central road way) |
| Mona Vale                     | - | The carpark   |
| Lidcombe                      | - | The carpark   |
| All Showrooms<br>(Nationally) | - | TBA - external to the office in a place to be<br>mutually agreed upon             |



## Appendix II

### CONSULTATIVE COMMITTEE CONSTITUTION

#### 1. OBJECTIVES

To continually improve Furniture Australia's performance and to ensure a future for all parties involved. This will include a commitment to:-

- \* Improving conditions.
- \* Improving productivity and profitability.
- \* Achieving high quality standards (AS/NZS9001).
- \* Increasing skills and training.
- \* Establishing a fair pay structure.
- \* Giving equal opportunities to all workers.
- \* Terms of Reference

It is recognised that this can only be achieved through continuous consultation and communication between management and employees to revise production systems and management techniques.

#### 2. STRUCTURE

- (a). The enterprise consultative committee shall consist of six (6) workplace nominees who are members of the appropriate unions, and will consist of three (3) management representatives with at least one of which is directly involved in making a final decision.
- (b) The positions of committee members shall be elected to the committee by a ballot of each appropriate union members for a period of twelve (12) months. Each union will elect its own members.
- (c) Workplace members will, in consultation with the union office by a majority vote of appropriate union members be removed from the committee if it is deemed that their performance on the committee is unsatisfactory. The committee can recommend a vote be taken.
- (d) Any management representative on committee will cease to be recognised, as such, upon termination of employment within the company.
- (e) Any employee representative will cease to be recognised, as such, upon assuming promotion to a management position, or upon termination of employment within the company.
- (f) Upon such situations in section C or E of this constitution, new representatives will be elected to the committee by the appropriate union members.

- (g) Union delegates have the automatic right to be represented on the Consultative Committee of each appropriate union.

### 3. SUB COMMITTEES

Sub Committees will be set up for special tasks with a specific duration. They will not make decisions, but shall report to the Consultative Committee with recommendations.

The Sub Committee shall include at least one member of the Consultative.

Sub committees shall only arise from Consultative Committee meeting issues.

### 4. RECORDING OF MINUTES

The minutes shall include:

- \* Attendees at the meeting.
- \* Summary of the issues and alternatives proposed.
- \* Decisions made, the time frame for implementation of decisions and who is responsible for acting on the decision.
- \* Time frame for consideration of deferred decisions.

Minutes are sent to the appropriate union office no later than 7 days after the meetings.

Minutes are to be read at the end of each meeting.

### 5. CHAIRPERSON

Chairperson to alternate between management and union every 3 months.

When the Chairperson is absent from the committee meetings, the Vice-Chairperson shall assume the Chairperson's role.

### 6. SECRETARY

A secretary shall be allocated to the Committee by management and shall:

- \* Draw up and issue agendas.
- \* Record minutes of meetings and distribute them.
- \* Receive and record correspondence.
- \* Provide typing and photocopying services.
- \* Note correspondence received.
- \* Be an independent minute taker.

7. REGULARITY OF MEETINGS

- (a) Committee will meet at least once a month for a minimum of one hour. Time of the meeting is to be mutually suitable to all participants from all shifts.
- (b) The Agenda shall be prepared and distributed to all Committee Members and appropriate union members five working days prior to a monthly meeting.
- (c) Any Committee Member may submit Agenda items to the chairperson and deputy, who shall agree to the Agenda.
- (d) Appropriate information shall be provided with each Agenda item submitted.
- (e) Meeting minutes shall be published within five working days, approved by chairperson and deputy and distributed to the appropriate union offices, each Consultative Committee member and posted on a notice board solely used for Consultative Committee matters.
- (f) A quorum of 6 persons to be in attendance to form a meeting (4 union, 2 management).

8. PREPARATION TIME AND REPORT BACK

Members of the committee shall have adequate time and access to site employees:

- \* Prior to committee meetings to prepare their responses and input to agenda times.
- \* Following committee meetings to report back, when necessary, on issues discussed.
- \* A short stop work meeting 10 minutes prior to and after each meeting to consult with and report to the employees. the decision for each individual staff meeting shall be agreed during the previous Consultative Committee meeting.

9. DISCRIMINATION

Management shall not dismiss or injure an employee in their employment or alter their position to their detriment by reason of the fact that the employee is a member of, or has an interest in the Consultative Committee. Every employee has the opportunity to consult with the Consultative Committee members without unduly interrupting work and without discrimination.

## 10. RIGHTS AND DUTIES OF COMMITTEE

All members of the committee to carry out their duties in a responsible and honest manner in the spirit of this agreement

- \* To attend the meeting and be present a few minutes before the meeting before the time stated on the agenda.
- \* If meeting is to be cancelled or postponed then the chairperson and or deputy need to give permission.
- \* To forward an apology to the secretary if unable to attend the meeting.
- \* To come to the meeting prepared, having read the minutes of the previous meeting.
- \* To study the agenda beforehand and be prepared with notes to make contributions briefly, clearly and perhaps with illustrations on matters affecting them or those they represent.
- \* To represent the views and opinions of those people he/she represent and not just his/her own.
- \* To speak on the basis of the facts presented and not on the basis of preconceived ideas not based on facts.
- \* Seeking the view of constituents on issues to be discussed by the committee during report back time.
- \* Encouraging and assisting constituents to submit agenda items.
- \* Providing explanations of items recorded in the minutes.
- \* To canvass responses from employees on the factory floor during report back time without unduly interrupting the site production. Supervisors to be notified in the event of wanting to canvas responses, where possible. Consultative Committee members have the right to discuss consultative matters/business with each other and will notify their Supervisor and not to interrupt work.
- \* All the time spent in meetings, preparation for meetings and reporting back to members about the consultative Committee meeting shall be treated and paid for as time worked.
- \* To invite one member, from each appropriate union, of factory floor to attend a consultative meeting as an observer. This is to be agreed upon by the committee prior to the meeting.

#### 11. RIGHT OF ACCESS TO ALL RELEVANT INFORMATION

Management and appropriate Consultative Committee representatives have the right of access to all information and documents relevant to issues being considered by the Committee. Should information and/or documents requested on the unanimous request of the Committee be denied because they are 'commercial-in-confidence', such a decision must be considered by management. All reasonable effort will be made by representatives to request specific documents and/or items of information within adequate time.

#### 12. REVIEW

Provision shall be made after 3 months for the review and evaluation of the Committee, its operation and procedures for the purpose of improving its performance and responsiveness to its stated objectives and functions.

This review shall be undertaken jointly by Management and/or its representative body, Committee members, Union officials.

#### 13. AMENDMENT TO CONSTITUTION

Amendments to the constitution may be made at any time with the consensus of all members of the Consultative Committee and with the consensus of all members, appropriate union office and appropriate union members on the shop floor. and the vote of all members and notify the union office. It must be highlighted in the minutes.

#### 14. USE OF RESOURCE PEOPLE

To ensure the smooth and effective operation of their committee, if it is agreed, or deemed to be beneficial, and after prior discussion by the committee, that outside resource people may be engaged to assist or address the committee on a particular topic or issue. These people may be engaged by either management or the unions at no expense to employee members of the committee.

#### 15. DISPUTE SETTLEMENT PROCEDURE

Should the committee be unable to reach consensus on an issue the matter may be referred to the appropriate official of each Union and Senior management, where each appropriate award will apply

If no resolution is achievable, normal industrial relation procedures will apply.

## 16. TERMS OF REFERENCE

The Committee may consider workplace issues including but not limited to the following:

- \* Strategic Plans
- \* Introduction of New Technology
- \* Changing Work Practices
- \* Training
- \* Advancement Opportunities and Career Path Structures
- \* Workplace Discrimination
- \* Profit Performance
- \* Costs
- \* Wastage
- \* Productivity
- \* Quality
- \* Work Environment
- \* External Environment
- \* Amenities
- \* Customer Service
- \* To Monitor the Effect of Changes Agreed in the Enterprise Award
- \* Equal Opportunity
- \* Affirmative Action
- \* Discrimination

The Committee will not discuss Occupational Health and Safety matters. Any OHS matters arising should be referred to the OHS Committee.

## 17. TRAINING REQUIREMENTS OF COMMITTEE MEMBERS

All members of the Committee are to be entitled to training, which should be made available as soon as possible after the formation of the Committee, the range of which is to be decided by the Committee, with a view to ensuring all members have the opportunity to perform to the best of their ability. No employee shall be required to undergo training in their own time, or to be subject to any financial disadvantage due to this undertaking. Union representatives shall be entitled to reasonable paid time to attend union approved training courses. Union representatives shall be provided with the opportunity to attend appropriate accredited trade union training courses.

An additional 5 days training for union representatives / delegates / consultative committee members with accredited trade approved authorities.

18. DECISION MAKING PROCESS OF COMMITTEE

The Committee shall make decisions on behalf of Management and the Employees via consultation through the employees and management.

The committee shall reach decisions by consensus only.

## Appendix III

### REDUNDANCY AGREEMENT

#### 1. INTENT OF THE AGREEMENT

The company and the Unions recognise the serious consequences that the loss of employment can have on individual employees and on the workforce as a whole and to this aim it is agreed that the parties will consider every avenue available to avoid retrenchments including where practicable the introduction of a short working week.

#### 2. PARTIES BOUND

This agreement is binding between the National Union of Workers (New South Wales branch) and Furniture Australia.

#### 3. RETRENCHMENT SELECTION

- (a) Where an employer has made a definite decision that the employer no longer wishes the job the employee has been doing done by anyone and this is not due to the ordinary and customary turnover of labour and that decision may lead to termination of employment, the employer shall hold discussions with the employees directly affected and with their Union.
- (b) The discussions shall take place as soon as is practicable after the employer has made a definite decision which will invoke the provisions of Paragraph 3(a) hereof and shall cover, inter alia, any reasons for the proposed terminations, measures to avoid or minimise the terminations and measures to mitigate any adverse effects of any termination on the employees concerned.
- (c) For the purpose of discussion, the employer shall, as soon as practicable, provide in writing to the employees concerned and their Union, all relevant information about the proposed terminations including the reasons for the proposed terminations, the number and categories of employees likely to be affected, and the number of workers normally employed and the period over which the terminations are likely to be carried out. Provided that any employer shall not be required to disclose confidential information, the disclosure of which would be inimical to the employer's interest.
- (d) In the event that retrenchments are unavoidable, volunteers for retrenchment will be considered, however the company reserves its right to select employees to be retrenched with due regard to skills required.



4. NOTICE

- (a) In the event that work functions become redundant as a direct result of the introduction of new equipment, site closure, significant partial closure or site relocation, it is agreed that employees will receive four (4) weeks notice or four (4) weeks pay in lieu of notice or a combination thereof. The period of notice is increased by one (1) week if the employee is over forty-five (45) years old and has completed at least two (2) years continuous service with the employer.
- (b) In the event of the company needing to retrench due to external effects such as reduced customer demand, the company will endeavour to advise and discuss the circumstances with the Union, together with the employees affected, as far in advance as possible.
- (c) Payment in lieu of notice made in accordance with this clause shall be in addition to the service-related payments contained in clause 7 of this appendix.

5. ANNUAL LEAVE

The company agrees to pay the annual leave loading on all pro-rata leave entitlements.

6. LONG SERVICE LEAVE

The company agrees to pay Long Service leave on a pro-rata basis for employees who have completed five (5) years or more service.

7. SERVICE-RELATED PAYMENT

Up to 1 year of service	3 weeks pay
2 years of service	6 weeks pay
3 years of service	9 weeks pay
4 years of service	12 weeks pay
5 years of service	15 weeks pay
6 years of service	18 weeks pay
7 years of service	21 weeks pay
8 years of service	24 weeks pay
9 years of service	27 weeks pay
10 years of service	30 weeks pay
More than 10 years of continuous service	Additional 3 weeks pay per year

- Note:
- 1. Payment will be calculated on a pro rata basis for each complete month of service.
  - 2. Weekly pay is defined as ordinary time weekly earnings.

3. Service related payments are subject to a maximum limit of sixty-five weeks.
4. Service payments will not exceed the number of weeks pay falling between the date of termination and the date of normal retirement.

SICK LEAVE

8. At termination employees will be entitled to an amount for good attendance to a maximum of 6 weeks.

9. SUPERANNUATION

Each employee will receive their full entitlements under the fund.

10. ASSISTANCE TO RETRENCHED EMPLOYEES

(a) The company undertakes to provide the following areas of assistance to employees who are working out their notice period.

(i) Assistance will be given wherever possible to find alternative employment for retrenchment employees.

(ii) A maximum of four hours or award entitlement whichever is the greater paid time off will be allowed for employees each interviews for alternative employment.

(iii) All retrenched employees will be supplied with a certificate of service stating the reason for termination.

(b) Right of reemployment. Any retrenched employees shall have preference of reemployment within 12 twelve months provided that they apply for a vacant position and all factors affecting suitability for the position are at least equal with the best candidates.

11. DURATION OF AGREEMENT

UNTIL 7<sup>TH</sup> JULY 1997

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This agreement will remain in force ~~for a period of twenty four months from and shall remain in force until a new agreement is negotiated between the company and the Union.~~

In no circumstances will the agreement be renegotiated where notice has been given to the union of impending retrenchments.