

**REGISTER OF
ENTERPRISE AGREEMENTS**

ENTERPRISE AGREEMENT NO: EA00/22

TITLE: Australian Pharmaceuticals Industries Limited Certified Enterprise Agreement 1999

I.R.C. NO: 99/6267

DATE APPROVED/COMMENCEMENT: 26 November 1999

TERM: 23 September 2001

**NEW AGREEMENT OR
VARIATION:** New

GAZETTAL REFERENCE:

DATE TERMINATED:

NUMBER OF PAGES: 30

COVERAGE/DESCRIPTION OF

EMPLOYEES: Applies to employees employed at the Northmead operation

PARTIES: Australian Pharmaceutical Industries Ltd. -&- Australian Services Union of N.S.W., National Union of Workers, New South Wales Branch, Transport Workers' Union of Australia, New South Wales Branch



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OFFICE OF THE INDUSTRIAL
REGISTRAR

**API NORTHMEAD
ENTERPRISE AGREEMENT
1999 (No. 4)**

Registered
Enterprise Agreement
Industrial Registrar

An Enterprise Agreement, made pursuant to
the NSW Industrial Relations Act, entered into between:

Australian Pharmaceutical Industries Limited
102 Briens Road
Northmead NSW 2152

and

employees of API's Northmead site
otherwise covered under a NSW State Award
represented by their elected Consultative Committee

and

the Unions which are involved with API Employees, which are:
Federated Clerks Union of Australia New South Wales Branch
National Union of Workers, New South Wales Branch
Transport Workers Union of Australia, New South Wales Branch

API NORTHMEAD ENTERPRISE AGREEMENT 1999 (No. 4)

PART 1 APPLICATION AND OPERATION OF AGREEMENT

1.1 AGREEMENT TITLE

This agreement shall be known as the Australian Pharmaceutical Industries Limited Certified Enterprise Agreement 1999 (No. 4).

1.2 ARRANGEMENT

This Agreement is arranged as follows:

Part 1 - APPLICATION AND OPERATION OF AGREEMENT

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- 1.4 Coverage of Agreement
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1.3 COMMENCEMENT DATE OF AGREEMENT AND PERIOD OF OPERATION

This agreement shall come into operation from the date of registration by Industrial Relations Commission of NSW. The Agreement shall remain in force until 23.9.01.

This agreement rescinds and terminates previous Northmead Enterprise Agreements, Nos 1, 2 and 3 - and the 1989 Section II Agreement with the NUW (then Federated Storemen and Packer's Union of Australia, NSW Branch)

1.4 COVERAGE OF AGREEMENT

This agreement shall apply to Australian Pharmaceutical Industries Limited operations at 102 Briens Road, Northmead NSW. This Agreement will continue in force in the event that the operation at 102 Briens Rd Northmead moves to another site during the term of the Agreement. This Agreement applies in respect of all employees at the Northmead operation who are covered by the:

Clerical & Administrative Employees (State) Award NSW
Electricians (State) Award
Metal & Engineering Industry (NSW) Award
Storemen and Packers (Wholesale Drug Stores) State Award
Commercial Travellers (State) Award
Transport Industry - Mixed Enterprises Interim (State) Award
Security Industry (State) Award

1.5 DEFINITIONS

Refer to 'definitions' in the above appropriate Award.



1.6 PARTIES BOUND

This Agreement shall be binding on Australian Pharmaceutical Industries Limited, 102 Briens Road, Northmead and employees who are covered by the awards listed above and the National Union of Workers New South Wales Branch, Transport Workers' Union of Australia New South Wales Branch, Federated Clerks Union of Australia New South Wales Branch.

1.7 RELATIONSHIP WITH OTHER AWARDS

This agreement shall be read and interpreted wholly in conjunction with the awards listed in 1.4, provided that where there is an inconsistency, the agreement shall take precedence to the extent of the inconsistency.

1.8 CONTRACT LABOUR

The Company is committed to its employees and does not intend to contract out its existing work force. The company retains the right to use contract and casual labour to meet peak demands, during recruitment programs, and to meet other business requirements.

PART 2 AGREEMENT OBJECTIVES

2.1 OBJECTIVES AND COMMITMENTS

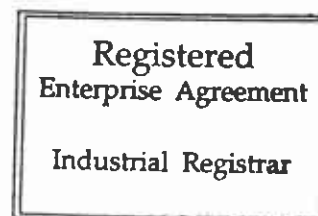
Objectives

This Agreement shall be read and construed to give full effect to each of its objectives which are listed as follows:-

- (i) To provide a process of excellence and continuous improvement,
- (ii) To provide the best available service to customers, to whom we provide life saving drugs and value added services,
- (iii) To increase productivity without additional costs to customers,
- (iv) To improve efficiency and minimise waste,
- (v) To continue to work together in a spirit of co-operation,
- (vi) To provide for the orderly conduct of industrial relations at the Company's premises,
- (vii) To provide for the orderly and fair conduct of grievance and dispute resolution without the necessity for industrial action,
- (viii) To review conditions of employment in line with community and industry standards,
- (ix) To provide conditions of employment which satisfy both the operational requirements and capacity of the Company, recognising that beneficial outcomes are co-dependent,
- (x) To provide remuneration of employees which is appropriate to the business and marketplace in which the Company operates and competes,
- (xi) To provide appropriate balance of interests between the Company and its employees,
- (xii) To promote safety, health and welfare in the workplace.

Commitment

- (i) The employees recognise that the Company must function effectively in a competitive market, continually improve sales growth and profitability in order to provide for continuing employment, excellent benefits and working conditions.
- (ii) The essential nature of our business is to provide life saving drugs to pharmacies, hospitals and medical providers.
- (iii) The employees and Company will continue to work together in a spirit of co-operation



2.2 LEAVE RESERVED

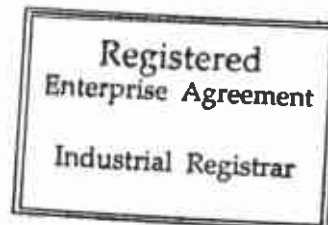
Redundancy

Leave is reserved for the parties to negotiate a redundancy package during the life of this Agreement should the need for redundancies occur. API commits to commence negotiations at least three months in advance of any redundancies occurring.

2.3 NO FURTHER CLAIMS

It is an essential condition of this agreement that whilst it remains in operation:

There shall be no further claims of whatever description including, but not limited to, further wage increases (award or over award) sought (including those related to State Wage Decisions and/or economic adjustments) except as provided under the terms of this Agreement. Any increase arising from any decision (including State Wage Decisions and/or economic adjustments) shall be fully absorbed into the rates paid from time to time.



PART 3 COMMUNICATION, CONSULTATION AND DISPUTE RESOLUTION

3.1 GRIEVANCE & DISPUTES PREVENTION & SETTLEMENT

(a) Procedure relating to a grievance of an individual employee:-

- (i) The employee shall notify their immediate supervisor/manager of the concern and outline their desired solution.
- (ii) The grievance must initially be dealt with as close to its source as possible, with graduated steps for further discussions and resolution at higher levels of authority.
- (iii) Reasonable time limits must be allowed for discussions at each level of authority.
- (iv) At the conclusion of each stage of discussions the Company must provide a response to the employee's grievance, including reasons for the decision.
- (v) While the concern is being finalised, normal work must continue.
- (vi) The employee may be represented by an industrial organisation of employees.

(b) Procedures for a dispute between the Company and the employees:

- (i) A question, dispute or difficulty must initially be dealt with as close to its source as possible, with graduated steps for further discussions and resolution at higher levels of authority.
- (ii) Reasonable time limits must be allowed for discussions at each level of authority.
- (iii) While the concern is being finalised, normal work must continue.
- (iv) The Company may be represented by an industrial organisation of employers and the employees may be represented by an industrial organisation of employees for the purpose of each procedure.

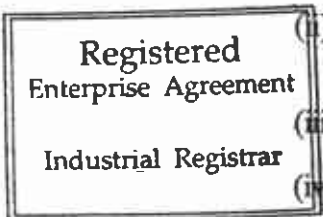
(c) Should the matter not be resolved having followed the above procedure, either party may refer the matter to the Industrial Relations Commission of NSW.

3.2 ESSENTIAL MEDICINES

The union and employees recognise the Company's obligation to assemble and distribute life saving ethicals and pharmacy only products at all times. The union and employees agree not to disrupt, interfere with or stop receipt, assembly and distribution of ethicals and pharmacy only products at any time.

Without limiting the generality of the clause above, on the basis of present manning levels, a minimum of 22 experienced employees are necessary to ensure the distribution of prescription items.

The term "experienced employees" means employees with substantial experience in handling prescription items.



PART 4 EMPLOYMENT CONDITIONS

4.1 TRANSFER OF EMPLOYEES

When an employee is required to report for work at a place other than their usual place of work, they shall be paid all fares reasonably incurred in excess of those they normally would incur attending at their usual place of work and returning home and shall be paid all travelling time in excess of that taken to reach their usual place of work and returning home.

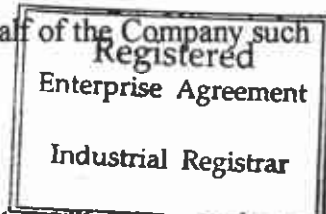
Travelling time shall be paid for at single time.

The above shall apply only to an employee temporarily transferred from their usual place of work. A temporary transfer shall mean periods of employment at places other than the usual place of work up to a maximum of four consecutive weeks.

An employee transferred from working place to working place during ordinary working hours, shall be paid for the time spent in travelling as for time worked and shall receive reimbursement of fares incurred in such transfer.

Where the transfer involves an employee being absent overnight from their normal place of abode, they shall be reimbursed for reasonable expenses incurred for accommodation and travel to and from the place to which the employee is transferred.

Where an employee is required to use private vehicle on behalf of the Company such employee shall be paid the current mileage rate.



4.2 TRAINING AND DEVELOPMENT

The Company is committed to the ongoing development of the skills of its employees. This will be achieved by developing job descriptions incorporating skills and competencies which has been identified for each job role.

The Company will continue to apply resources to appropriate training programmes which will develop skills and competencies for its employees to better meet the needs of the organisation.

Training and/or competency assessment may be undertaken before or after the normal days work where required. These sessions may last up to two hours and will be paid at single time.

Permanent part-time employees may work up to a normal day for training purposes and be paid at ordinary rates (up to a maximum of twenty hours per annum).

The training and/or assessment must be structured, legitimate training with the objective of improving skills or completing competency assessments.

Reasonable notice will be given, and this will be at least three days prior to the training. Where the employee and the Company agree the notice may be less than three days. Notice will include advice about the duration of the training period.

An employee shall make themselves available for reasonable amounts of training under this arrangement if required. The Company understands, however, that from time to time an employee may not be available for training or assessment outside normal hours and where possible such important commitments of staff will be taken into account. All reasonable attempts will be made to train employees during ordinary hours.

4.3 EMPLOYMENT CATEGORIES

Permanent employment

Permanent employees shall be engaged by the week and shall be paid weekly. All time absent from work shall be deducted from the employee's wages, except absence without deduction of pay in accordance with Part 7 of this Agreement.

Casual employment

A casual employee is one engaged on an hourly basis. A casual employee working ordinary time shall be paid per hour 1/38th of the weekly site rate plus 17.5% casual loading, which shall apply in lieu of sick leave and public holiday entitlements, as well as a further 1/12 in lieu of annual leave.

Site rates and conditions will apply to casual contract labour.

Part-time employment

To better meet business needs, employees may be employed on a part-time basis. Hours worked will be fixed on a regular daily or weekly basis, as follows:

- (i) **Warehouse employees** - minimum permanent hours of 20 per week. Warehouse staff who agree to work extra time beyond their permanent hours will be paid a loading of 20% for the additional time worked up to a maximum of 7.6 hours per day up to 38 per week, after which overtime rates will apply.
- (ii) **Other employees** - minimum permanent hours of 12 per week. Staff who agree to work extra time beyond their permanent hours will be paid at ordinary rates up to a maximum of 7.6 hours per day up to 38 per week, after which overtime rates will apply.
- (iii) Working extra time is not intended to be a long term arrangement. Where a part time employee agrees to work continuous extra hours, the arrangement will be reviewed no later than three months from commencement.

Probationary employment

The Company may initially engage a full-time employee or part-time employee for a period of up to three months probationary employment for the purpose of determining the employee's suitability for ongoing employment. The employee must be advised in advance that the employment is probationary and the duration of the probation period. The full Counselling and Disciplinary process only applies to permanent employees who have completed probation.

Probationary employment forms part of an employee's period of continuous service.

4.4 STAND DOWN

Where a breakdown in machinery or any other cause outside the Company's control necessitates a stopping of work the Company, after advising the employees and relevant Unions (and no sooner than two days from that stoppage first occurring) may stand down warehouse employees without pay. Such stand downs shall not in any way affect the employees' continuity of service or other entitlements which depend on

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continuity of service. This does not in any way affect the Company's right to terminate the employment of an employee in the normal manner.

4.5

EMPLOYEE COUNSELLING AND CORRECTIVE GUIDANCE PROCEDURE



Step 1 - Counselling

The immediate Supervisor or Manager concerned should:

- (a) Inform the employee that this will be a counselling meeting and ask them if they would like a colleague or the union delegate, if appropriate, to be present.
- (b) Discuss the problem with the employee.
- (c) Remind employee of the standards of performance, attendance or conduct etc. expected and allow an opportunity for the employee to state their case.
- (d) Agree on specific action and standards required to be taken and establish a time frame for implementation (the time frame may vary depending on circumstances).
- (e) A record of counselling session should be documented and the employee should be requested to sign this record as a true record of the discussion.

Should the employee refuse to sign, a note to that effect should be placed on the record of discussion. The refusal will not invalidate the counselling or warning.

A copy should then be retained by the Supervisor/Manager, a copy put on the employee's personnel file and a copy given to the employee

Should the same situation or problem recur within a reasonable period, the procedure set out in Step 2 below should then be followed:

Step 2 - First Written Warning

- (a) Inform the employee that this will be a counselling meeting and ask them if they would like a colleague or the union delegate, if appropriate, to be present.
- (b) Review previous situation.
- (c) Indicate insufficient responses to previous counselling and give the employee an opportunity to explain the reason why.
- (d) Indicate to employee the consequence of continued lack of improvement.
- (e) Discuss possible solutions to the problem and, where possible, agree a solution.
- (f) Identify action to be taken and establish a time frame for implementation.
- (g) A record of the counselling session should be documented and the employee should be requested to sign this record as a true record of the discussion. A copy should be retained by the Supervisor/Manager, a copy put on the employee's personnel file and a copy given to the employee.

Should the employee refuse to sign, a note to that effect should be placed on the record of discussion. A refusal will not invalidate the counselling or warning.

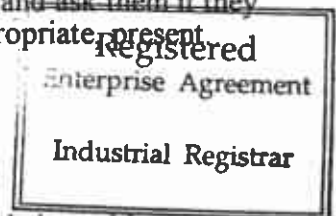
- (h) Human Resources will document a letter to the employee from the relevant Supervisor/Manager confirming the outcome which was determined at the meeting.

Should the same situation again recur within a reasonable period the procedure in Step 3 should be followed.

Step 3 - Second Written Warning

Prior to proceeding to a second written warning, the Supervisor/Manager concerned must consult their Department/Divisional/General Manager and the Human Resources Manager

- (a) Inform the employee that this will be a counselling meeting and ask them if they would like to have a colleague or the union delegate, if appropriate, present.
- (b) Restate the offence.
- (c) Restate the agreed corrective action.
- (d) Allow the employee an opportunity to respond and explain their position. Consider the defence raised.
- (e) Indicate to the employee the action now being taken, i.e. a second written warning will now be issued (if that is the decision).
- (f) Warn the employee that further repetition of the offence or failure to improve may result in a final warning and ultimately in termination of employment.
- (g) A record of counselling session should be documented and the employee should be requested to sign this record as a true record of the discussion.



Should the employee refuse to sign, a note to that effect should be placed on the record of discussion. The refusal will not invalidate the counselling or warning. A copy should then be retained by the Supervisor/Manager, a copy put on the employee's personnel file and a copy given to the employee.

- (h) Human Resources will document a letter to the employee from the relevant Supervisor/Manager confirming the outcome of the meeting.

Should the same situation recur within a reasonable period, the procedure in Step 4 should be followed.

Step 4 - Final Warning

If the offence or conduct is repeated or continues, a final warning will be necessary. Once again the offence or unsatisfactory conduct should be restated and the employee warned that failure to improve within a reasonable period could result in dismissal. Final warnings should proceed and be recorded as in Step 3 above.

Step 5 - Dismissal

If dismissal is being considered, the action should be discussed between the Department Manager, the Divisional/General Manager and the Human Resources Manager prior to any action being taken. The Manager should always ensure that they are accompanied by the Human Resources Manager or another Manager whilst effecting dismissals.

Prior to actually dismissing any employee in these circumstances, the employee may initially be stood down on pay, whilst the matters giving rise to the possible dismissal are reviewed between the Supervisor and their immediate Manager. In this review the Supervisor's Manager will satisfy themselves that all steps in the procedure have been followed and that the employee has failed to respond to earlier counselling and formal reprimands and that dismissal is now justifiable and necessary.

Having determined that dismissal could be an outcome the following procedure must be observed:

- (a) The employee should be invited into the privacy of an office and informed that this will be a counselling meeting and that termination is being considered. Ask them if they would like to have a colleague or the union delegate, if appropriate present.
- (b) Restate the offence or problem giving rise to the present proposed dismissal and restate the corrective action which was previously agreed upon.
- (c) Advise the employee that as they have failed to comply with previously agreed corrective action, dismissal is being considered as a last resort. Ask the employee if there are any reasons they can give that termination should not proceed. Consider any issues raised and decide the outcome. Due to the ill feeling inherent in such circumstances, it is advisable to ensure that the employee is paid out in lieu of notice.
- (d) Submit a record of interview to the Human Resources Department stating the reason for dismissal.

Serious and Willful Misconduct

There are some situations of serious and/or willful misconduct which warrant consideration of dismissal without application of the warning process.

Serious and/or willful misconduct could include, but is not restricted to, theft, fraud, violence, drunkenness or being under the influence of illicit drugs, refusal to obey reasonable instruction, willful damage to Company property, fighting, reckless disregard of safety regulations or other criminal acts against the Company, its employees, contractors or customer, etc.

Step 1 - Suspension and Investigation

- (a) When an employee is believed to have committed any of these offences they are to be immediately suspended, with pay.
- (b) A full investigation should then be conducted to gather all relevant information including:
 - interviewing any witnesses
 - taking of witness statements
 - a review of the employee's previous conduct or performance.

The Manager should contact the Human Resources Manager prior to interviewing witnesses.

- (c) The Manager and the relevant Human Resources Manager, where appropriate, should then interview the employee and provide them with the precise details of the allegation(s).
- (d) The employee should be given the opportunity to have a colleague or the union delegate, if appropriate, at the meeting.



- (e) The employee must be provided with an opportunity to clearly explain and defend them self against any allegation(s) made.
- (f) All the information gathered needs to be carefully considered before a decision is made. The Manager must confer with the Human Resources Manager and Divisional/General Manager before making a final decision.

4.6 TERMINATION OF EMPLOYMENT

Notice Period

In order to terminate the employment of an employee the Company shall give to the employee the following notice.

<i>Period of continuous service</i>	<i>Period of notice</i>
Less than 1 year	1 week
1 year and less than 3 years	2 weeks
3 years and less than 5 years	3 weeks
5 years and over	4 weeks



In addition to the notice above, employees over 45 years of age at the time of the giving of the notice with not less than two years continuous service, shall be entitled to an additional week's notice.

Payment in lieu of the notice above shall be made if the appropriate notice period is not given. Provided that employment may be terminated by part of the period of notice specified and part payment in lieu thereof.

Notice of termination by employee

The notice of termination required to be given by an employee shall be one week's notice.

If an employee fails to give notice the Company shall have the right to withhold moneys due to the employee with a maximum amount equal to the ordinary time rate of pay for the period of notice.

Instant or summary dismissal

Notwithstanding the provisions above, the Company shall have the right to dismiss any employee without notice for conduct that justified instant dismissal, including inefficiency or neglect of duty, dishonesty, misconduct, fighting, refusing duty or absence from work without reasonable cause, and in such cases the wages shall be paid up to the time of dismissal only.

If an employee commits any of these offences they are to be suspended immediately, with pay. The Supervisor or Manager then contacts the Human Resources Manager who assists with an immediate inquiry before deciding whether the dismissal is to be upheld.

Statement of employment

The Company shall, upon receipt of a request from an employee whose employment has been terminated, provide to the employee a written statement specifying the period of the employee's employment and the position held by the employee.

Employment Separation Certificate

The Company shall, upon receipt of a request from an employee whose employment has been terminated, provide to the employee an "Employment Separation Certificate" in the form required by the Department of Social Security.

Transfer to lower paid duties

Where an employee is transferred to lower paid duties, the employee shall be entitled to the same period of notice of transfer as the employee would have been entitled to if the employee's employment had been terminated, and the Company may at the Company's option make payment in lieu thereof of an amount equal to the difference between the former ordinary time rate of pay and the new ordinary rate for the number of weeks of notice still owing.

4.7 ABANDONMENT OF EMPLOYMENT

An employee who is absent from work for five working days without notifying the Company of the reason for the absence may be deemed to have abandoned their employment.

For the purpose of this clause abandonment of employment will be regarded as misconduct and the employee may have their employment terminated accordingly.



PART 5 WAGES AND RELATED MATTERS

5.1 ALLOWANCES

Leading hands, 2ICs, and supervisors have had allowances added to their ordinary times earnings. They are no longer paid the following as separate allowances - forklift, VDU, driver's special overtime allowance or training allowances. This will continue to occur for future promotions and appointments into these positions.

VDU/ Forklift Allowance

Effective the first pay period after signing of this agreement, VDU and forklift allowances have been absorbed into the base rate for relevant jobs and a separate employee classification established. These rates will no longer be payable as separate allowances.

Relief Forklift Allowance

Relief forklift drivers will be paid an hourly allowance rounded up to the nearest half hour, for time they are nominated by the company to relieve on the forklift. The forklift allowance paid will not be greater than the difference between the ordinary weekly wage of the storeman and forklift driver.

Meal Allowance

An employee required to work overtime for any period in excess of one (1) hour after the usual hour of ceasing duty shall be paid a meal allowance at the rate specified in this Agreement.

First Aid Allowance

The Company shall appoint where available an employee holding the current St John Ambulance Association Senior First Aid Certificate to administer first-aid. Such certificated employee shall be paid when appointed an allowance at the rate specified in this Agreement.

An employee on being requested by the Company to obtain first-aid attendant qualifications (St John Ambulance standard or equivalent) shall, on attaining such qualifications, be reimbursed by the Company for approved out-of-pocket expenses associated with attending the first-aid course and any subsequent approved refresher courses.

Drivers' Overtime Allowance

A weekly allowance is paid to drivers to compensate for fluctuations in finish times during the normal working week.

Whilst paid as an allowance, this payment will be included for all purposes.

Rates

The following are the current allowances effective first full pay period after 23.9.99 and will increase in line with the Enterprise Agreement No 4 increases.

Meal Allowance	\$7.90
First Aid Allowance	\$11.24 per week
Higher Duties Allowance	\$6.63 per day (warehouse 2IC's/leading hands)
Drivers' Overtime Allowance	\$66.50 per week
Relief Forklift Allowance	52c per hour

5.2 WAGE INCREASES

The following increases to wages and allowances will be paid on the first full pay period after the following dates, subject to the registering of this Agreement by the NSW Industrial Relations Commission:

4% effective 23.9.99
4% effective 23.9.00

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5.3 MIXED FUNCTIONS

An employee called upon to work for two hours or more whether or not such two hour period is accumulated continuously or in segments during any one day or shift on duties carrying a higher rate of pay than their ordinary classification shall be paid the higher rate for such day or shift. If the employee works for more than one hour but less than two hours on such higher duties during any one day or shift they shall be paid the higher rate of for the time so worked.

An employee who is required to undertake, on a temporary basis, work carrying a lower rate than their ordinary classification shall suffer no reduction in pay in consequence thereof.

An employee who is acting in a higher classification and continues on overtime shall continue to be paid at the higher rate of pay until completion of the overtime worked.

With the following exceptions, an employee being reclassified to a lower grading shall continue on their current rate until such time as the rate for the new classification equals the rate being received. Such overpayment involved shall, for the time taken for it to be absorbed, be considered as a "personal overpayment" and not entitle any other person who works in that job, either temporarily or permanently, to that particular rate.

Exceptions

- (a) Disciplinary reasons
- (b) Inability to do the job
- (c) Own request for change
- (d) After acting in temporary capacity

The Company further agrees to the principle of job rotation for increased skills and opportunities, reduced boredom, and discomfort of employees, which will improve production efficiencies overall. Accordingly, as opportunities arise, individuals will be given appropriate on-the-job training and rotation of jobs.

5.4 TIME AND PAYMENT OF WAGES

Wages, excluding overtime and special allowances, shall be paid up to and including Thursday each week.

Overtime and allowances shall be paid within a week from the pay day succeeding the day on which it was earned.

Wages shall be paid at or before the finishing time on Thursday of each week except that where a public holiday falls on a Friday, payment shall be made on the Wednesday.

Each employee shall receive a pay slip showing details of all payments and deductions.

Upon termination of employment, wages due to an employee shall be paid into the employee's bank account on the next pay day, or if the employee prefers, a cheque can be drawn on the day of termination.

In the pay period immediately preceding Christmas 1999, the Company will pay two weeks wages, one in advance, to minimise the likelihood that staff may be disadvantaged in case of Y2 problems at their bank.

Where payment is made by Electronic Funds Transfer and cannot be made within the prescribed period for reasons over which the employer has no control (eg systems failure) the employee may elect to be paid by cheque or to be paid by Electronic Funds Transfer within 48 hours without penalty. In such circumstances, cash may be made available based on individual need.

5.5 SUPERANNUATION

Preamble

The subject of superannuation is dealt with extensively by legislation including the *Superannuation Guarantee (Administration) Act 1992*, the *Superannuation Guarantee Charge Act 1992*, the *Superannuation Industry (Supervision) Act 1993* and the *Superannuation (Resolution of Complaints) Act 1993*. This legislation, as varied from time to time, governs the superannuation rights and obligations of the parties.

Notwithstanding the above, the following provisions also apply:

Definitions

"Fund" - In this clause all references to "fund" shall mean the Labour Union Co-operative Retirement Fund (LUCRF), or the API Retirement Fund.

"Ordinary time earnings" - In this clause the term "ordinary time earnings" shall include the classification rate and any allowances where such allowances are part of the employee's normal earnings, excluding actual overtime, travel, meals or annual leave loading.

"Approved superannuation scheme" - For the purposes of this clause, "approved superannuation scheme" means a scheme which complies with the *Occupational Superannuation Standards Act* and Regulations and any other relevant Government requirements. Currently the preferred schemes are the Labour Union Co-operative Retirement Fund (LUCRF) and the AMP fund. All new employees have the option of joining either of these funds only.

"Employee" means an employee under the terms of this Agreement who has satisfied the requirements in the clause below.

Company Contributions

The Company will contribute to the fund on behalf of all employees, subject to them meeting minimum earnings requirements determined by legislation. The following minimum amounts of superannuation will apply:

<i>Financial Year</i>	<i>% for employees</i>
<i>ordinary time earnings</i>	

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Enterprise Agreement
Industrial Registrar

1st July 1998 - 30th June 2000 7%
1st July 2000 - 30th June 2002 8%

The Company shall provide each employee upon commencement of employment, membership forms of the Fund within 14 days.

An employee may make contribution to the Fund in addition to those made by the Company.

An employee who wishes to make additional contributions must authorise the Company in writing to pay into the Fund, from the employee's wages, a specified amount in accordance with the Fund trust deed and rules.

If the Company receives such written authorisation from the employee, it must commence making payments into the Fund on behalf of the employee within 30 days of receipt of the authorisation.

An employee may vary their additional contributions by a written authorisation and the Company must alter the additional contributions within 30 days of receipt of the authorisation.

Additional employee contributions to the Fund requested shall be expressed in whole dollars.

Contribution for casual employees whose earnings meet the monthly threshold specified by the relevant Act shall be made on a monthly basis.

The Company will continue to contribute to the employee's superannuation fund whilst an employee is on Workers Compensation an equivalent amount to their ordinary times earnings.

Employer's contributions during leave without pay

Where an employee is absent on leave without pay - whether or not such leave is approved - no contribution from the Company shall be due in respect of that employee during and in respect of the period of unpaid absence.

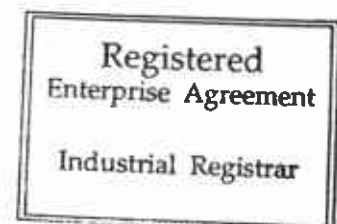
Employee contributions

Employees who may wish to make contributions to the Fund additional to those being paid by the Company shall be entitled to authorise the Company to pay into the Fund from employee's wages amounts specified by the employee.

Employee contributions to the Fund requested shall be made in accordance with the rules of the Fund.

Cessation of contributions

The obligations of the Company to contribute to the Fund in respect of an employee shall cease on the last day of such employee's employment with the Company.



**PART 6 HOURS OF WORK, BREAKS, OVERTIME, SHIFT WORK,
WEEKEND WORK**

6.1 HOURS OF WORK

Spread of Hours

Time of beginning
No earlier than 5.00 am

Time of ending
No later than 6.00 pm Monday to Friday



- (i) The ordinary hours will be an average 38 per week over a 4 week period, Monday to Friday, worked between the times of 5.00 am and 6.00 pm. Employees are required to be at their work station ready to begin work at their start time and not to leave their work station until their finish time, unless approved by their supervisor/ manager.
- (ii) Once having fixed the time for commencing and ceasing work it shall not be altered without at least seven (7) days notice to the employees concerned, or by mutual agreement between the Company and such employees. Where the majority of the employees in a section and the Company so agree, the commencing/finishing time may be altered to meet the needs of the operation and its customers.
- (iii) This clause may include the rostering of longer shifts per day where required and as agreed with employees under (ii) above. This is only requested where it is necessary to provide maximum customer satisfaction. Currently this applies to the Warehouse Receiving Department and the Maintenance Department: service quality is improved by working varying rosters over a month based on 4 x 9 1/2 hour days per week.
- (iv) Times for loss prevention employees are from 5.00 am to 7.00 pm.
- (v) Changes to meet the 5 am start will be by mutual agreement for current employees. Positions which start prior to 6 am will be advertised internally before a decision is made regarding external appointment.
- (vi) Working days of up to 10 hours paid at ordinary rates may be scheduled by individual request and company agreement to meet individual and business needs. These agreed hours will not exceed 38 hours per week and will become the employee's fixed hours. This provision is not available to warehouse employees.
- (vii) Working hours will be flexible for the Sydney Olympics/ Paralympics during September and October 2000 to meet Government, customer, business and employee needs. Changes in working hours from current arrangement, may include working outside the normal span of hours at ordinary rates. Whilst an employee's start and finish times may change within this special event period, employees will be paid the appropriate overtime rates if they work in excess of their permanent hours per day. The operation of this clause will not cause undue hardship to individual employees.

6.2 MEAL BREAKS

Employees may work in excess of five hours, but not more than six hours at ordinary rates without a meal break, except delivery drivers who are required by RTA regulation to take a break after no longer than five hours.

A rest period of ten minutes shall be allowed for all employees in the morning only and will count as time worked. Such rest pauses shall be taken at such times as will not interfere with the continuity of work where continuity is necessary.

The ten minute afternoon rest period for warehouse employees will commence ten minutes before finish time. The provision is already reflected in start and finish times.

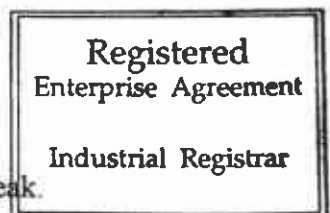
A meal break is an unpaid break of 30 minutes for day workers.

When, at the specific request of the Company, an employee is delayed more than thirty minutes from taking their lunch break at their regular time, then they shall be paid at the rate of double time for all time worked during that time and the employee will be allowed a normal meal break without deduction of pay. However, where an emergency outside the Company's control arises affecting work, then the meal break may be brought forward or delayed at the Company's request without the payment of any penalty. An employee in the Ethical Department is not entitled to such double time provided the meal break is taken before 2.30 pm.

6.3 WALKING TIMES

Employees in the Northmead Warehouse shall be entitled to walking time for the morning rest break and for the lunch time meal break as follows:

OTC Assembly Area and Credits	7 minutes
Receiving and Despatch	5 minutes
Hospital, Ethicals and Promotions	4 minutes
All other areas	3 minutes



The times specified is the total additional time allowed for each break.

6.4 ROSTERED DAYS OFF

Permanent full time staff may take one day per month as a Rostered Day Off (RDO). These days are normally scheduled at the beginning of each year to meet the needs of the business and where possible the employee. Two half days or four short days per month may be taken by mutual agreement.

Individual employees may choose whether or not participate in the RDO scheme. For staff in 2IC or Supervisory positions, non-participation must be mutually agreed with the department Senior Supervisor or Manager. Staff who choose not to participate will finish work 24 minutes earlier and not have an RDO. Staff who choose to participate will work an extra 24 minutes per day which accrues toward a rostered day off each month. Once having indicated their choice, staff may change their mind by notifying their supervisor or manager and changing their working times from the beginning of the next calendar month. It is not the intention of this clause for employees to opt in and out on a frequent basis.

RDOs are not intended to accrue and should normally be taken in the month they fall due.

The taking of RDOs on days other than those taken now, will in certain instances bring increased efficiency to the workplace. In this regard the Company will review rosters by section and introduce changes in full consultation with affected employees.