REGISTER OF ENTERPRISE AGREEMENTS

ENTERPRISE AGREEMENT NO: EA99/235

TITLE: Australian Cement Limited Kandos Enterprise Development Agreement 1997

I.R.C. NO:

98/3186

DATE APPROVED/COMMENCEMENT: 30 June 1998

TERM:

Expires 30 June 1999

NEW AGREEMENT OR

VARIATION:

New

GAZETTAL REFERENCE:

DATE TERMINATED:

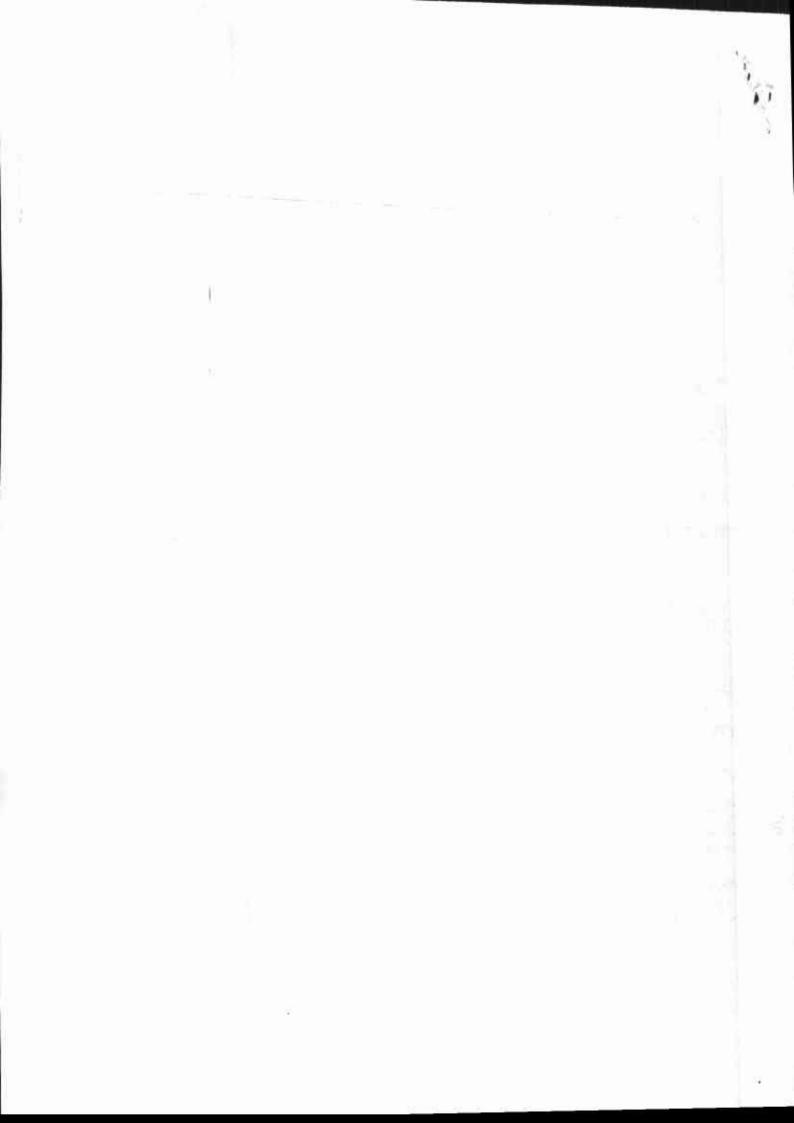
NUMBER OF PAGES:

83

COVERAGE/DESCRIPTION OF

EMPLOYEES: Applies to all employees engaged in or in connection with the manufacture and distribution of cement and cementitious products

PARTIES: Australian Cement Limited -&- Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union, New South Wales Branch, Electrical Trades Union of Australia, New South Wales Branch, The Australian Workers' Union, New South Wales



29 APH 1998

AUSTRALIAN CEMENT KANDOS

ENTERPRISE DEVELOPMENT
AGREEMENT
KANDOS
1997



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This agreement shall be known as the

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Registered Enterprise Agreement

Part A - AGREEMENT FORMALITIES

1. AREA, INCIDENCE AND PARTIES BOUND

This agreement shall be binding upon Australian Cement (A business unit of Australian Cement Limited and its ultimate holding company Australian Cement Holdings Pty Ltd) located at Kandos, and its employees engaged in or in connection with the manufacture and distribution of cement and cementitious products.

This agreement is made between Australian Cement, its employees, and the following unions who have members at Kandos.

The Australian Workers' Union, New South Wales.

Automotive, Food, Metals, Engineering, Printing & Kindred Industries Union, New South Wales Branch.

Electrical Trades Union of Australia, New South Wales Branch.

2. USE 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.

3. DATE AND PERIOD OF OPERATION

This agreement shall take effect from the beginning of the first pay period commencing on or after the date of this agreement's registration under the provisions of the Industrial Relations Act and shall remain in force until 30.06.99

4. RELATIONSHIP TO PARENT AWARD

The terms and conditions of this agreement replace the terms and conditions of the Australian Cement Kandos Enterprise Development Agreement 1996 and all variations thereafter.

This agreement shall be read and interpreted in conjunction with the Cement Industry State (New South Wales) award, provided where there is any inconsistency between that award and this agreement, this agreement shall take precedence to the extent of the inconsistency.

Registered Enterprise Agreement

Local agreements listed in appendix 1 are for reference purposes only. This Enterprise Agreement does not in any way impact on the local agreements listed.

5. AIMS OF THE AGREEMENT

This agreement represents the negotiated and agreed intentions of the parties to:

- establish a framework for achieving ongoing productivity improvements in the company.
- provide a method for employees to assess how their contribution impacts on the performance of the company and,
- provide a mechanism whereby employees are rewarded for their contribution to improved performance of the company.

Improvements in productivity will be achieved by increasing the effectiveness and efficiency of the Kandos operations, while maintaining, or improving, the quality of services provided.

It is the objective of the parties to this agreement to implement workplace practices so as to provide for more flexible working arrangements, which improve the efficiency and productivity of the industry, enhance skills and job satisfaction and assist positively in ensuring that Australian Cement Kandos becomes a more efficient enterprise.

The parties agree that the objectives of this agreement are to facilitate:

- a) flexible working hours;
- b) workplace productivity;
- the development and maintenance of the most productive and harmonious working relationship obtainable.

The parties also agree that the objectives will not be limited to the measures set out at sub clause a) to c). It is recognised that an important factor in reaching the above objectives is the development of a working environment where all parties are involved with the decision-making process. Both management and employees are committed to cooperating positively to implement work practices that are flexible and meet the requirements of the Australian Cement.

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6. STRATEGIC PLAN

The following vision, mission and goal when read in conjunction with the Strategic Plan will form the corner stone of this agreement.

All development, further negotiations, investments, and activities developed during the life of this agreement will have the strategic plan as a foundation.

7. VISION STATEMENT

On our journey of continuous improvement we will achieve success and sustained growth through teamwork and valuing our people and customers.

8. MISSION STATEMENT

Australian Cement Kandos is a team-based operation manufacturing quality cement to meet the needs of our customers, owners and other stakeholders.

9. GOAL

To improve productivity and quality of work life using team skills and team based systems.

10. NEW EMPLOYEES

The parties agree that any employee who is engaged by the employer during the term of this agreement will become bound by to the agreement. The new employee shall, as from the date of employment, be entitled to all benefits and be bound by all obligations, under this agreement.

11. AGREEMENT TO BE DISPLAYED

Copies of this collective agreement shall be displayed in places readily visible and accessible to all employees covered by the agreement.

12. WORKPLACE CONSULTATIVE COMMITTEE

A consultative mechanism shall be established with equal representation of employer and employee(s) and/or the unions with procedures appropriate to size, structure and needs for consultation and negotiation on matters affecting the efficiency and productivity of the enterprise.

This committee shall be a forum for open discussion and shall meet at set monthly intervals with additional meetings on an as required basis.

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A formal Workplace Consultative Committee structure is to be maintained for the life of this agreement. There will be a holding company Workplace Consultative Committee and consultative teams will receive formal training and have carriage of administration of this agreement. Formal charters will be developed by the members reflecting the needs of the enterprise.

12.1 ROLE OF THE WORKPLACE CONSULTATIVE COMMITTEE

Consistent with the aims of the agreement in clause 5 the Workplace Consultative Committee will oversee and support activities that will:

- increase the competitiveness of the Australian Cement Kandos and its products, to best practice.
- increase the quality of working life for all Australian Cement Kandos employees particularly in the areas of job design, skill formation, training and the working environment both physical and mental;
- improve productivity and efficiency of Australian Cement Kandos and job security;
- ensure that employees are able to work in a cooperative atmosphere in which the worth, dignity and skills of each individual within the company are respected and appreciated, and
- ensure enterprise plans complement overall corporate strategies, introduction of new technology, employee training, redesign of work etc.

Issues which may be considered by the Workplace Consultative Committee include:

- quality of product;
- value added and non-value added practices;
- reduced turnover, absenteeism and other lost time;
- the best use of the new technologies and training for employees;
- management techniques, through self-managed work teams and greater flexibility;
- product waste;

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Enterprise Agreement

- production cost;
- maintenance of a good environment;
- occupational health and safety and workcare.
- Creating an appeal mechanism for classification grievances.

13. CONSULTATIVE PROCEDURES

The parties recognise that changes in the workplace will be ongoing to ensure Australian Cement Kandos meets its business, customer, employees and shareholders needs. These changes may take the form of reorganisation of the workplace, job design/redesign and the introduction of new technology.

14. **DEFINITIONS**

14.1 EMPLOYEE

An employee is defined as a person working under the control and direction of Australian Cement Kandos in return for a wage or salary paid by Australian Cement. This work is usually carried out under day or shift work.

14.2 BUSINESS UNITS

Business Units are formed by the break down of the cement manufacturing process into sections that produce a specific product, (ie raw materials, clinker and cement). Each Business Unit contains functional teams who execute the core activities of that unit as a part of the total cement manufacturing process.

All employees agree to work together to enable the Business Unit concept to be developed to realise its full potential. This will mean all employees actively getting involved at all stages from development through to implementation with a positive view to making the process a success.

14.3 SUPPORT UNITS

Support units are functional teams that provide the technical expertise to the business units as required.

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14.4 CADET OPERATIONS EMPLOYEE

This describes a person who is selected through a formalised selection process with the understanding that they will complete all the training and assessments (as per the classification structure) to the Central Control Operators position and who will become a continuous shift employee.

14.5 CONTRACT LABOUR

Refers to persons not directly employed by Australian Cement Kandos but by a contractor who has an agreement to carry out work under a specific contract. The use of contract labour is dealt with by the local agreement listed.

14.6 CASUAL EMPLOYEE

This is a person employed for intermittent work which does not have a guarantee of a full weeks work each week nor an ongoing employment relationship. Pay rates are given in Part C Remuneration. 18.3. All appointments are to be appropriately recorded specifying all relevant details, (e.g. commencing and completion dates.)

14.7 PART TIME EMPLOYEE

This is a person who is employed for less than the full ordinary working hours per week prescribed by this agreement.

14.8 TEMPORARY EMPLOYMENT

Is employment using either of the above two categories to fill gaps in the full time compliment particularly under some out of the ordinary situations (eg the employment of someone to water quarry trees during dry spells).

14.9 PERMIT TO WORK SYSTEM

A system of work designed to ensure logical, safe working procedures requiring careful checks of various conditions prior to starting the job.

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QUALITY ASSURANCE

The method of complying with the standard by controlling the output of the industrial process with the object of detecting and correcting any variations that occur so that quality can be maintained.

14.11 AFFIRMATIVE ACTION

Positive action taken to create a situation in employment to facilitate, promote or reflect the desired elements of equal opportunity.

14.12 SUPERANNUATION FUND

The retirement fund into which an employee and the employer contribute during the period of employment and which provides the superannuation benefits

14.13 PARTIES BOUND

The parties referred to in this Agreement means the Australian Cement owned by Australian Cement Limited and or its ultimate holding company Australian Cement Holdings Pty Ltd and employees, who are represented by:

- The Australian Workers Union N.C.B.
- Australian Manufacturing Workers Union.
- Electrical Trades Union (N.S.W.) of Australia.
- Workplace Consultative Committee (non-union and staff).

14.14 BASE RATE

This is the regular rate expressed as a weekly amount, which is the amount, contracted for (not including any other rates such as tool allowance, etc).

14.15 HOURLY RATE

This is the total of the base rate (as defined above) plus any other entitlement, eg tool allowance. The total amount of which being divided by 38 gives hourly rate.

14.16 ANNUALISED SALARY

This is the method of paying wages involving the consolidation of overtime payments, penalty rates, and allowances into an all-inclusive loaded, annualised salary.

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Part B - CLASSIFICATION AND CAREER PROGRESSION

15. CLASSIFICATIONS

The skills required in the workplace are broadly grouped under the following headings. Employees working under these classifications will work in any or all of these areas to the extent of their training, skills and qualifications.

15.1 WORKPLACE SKILLS AND ACTIVITIES

The following are examples of workforce skills/activities which employees will be asked to use/perform. No one shall be asked to perform any of these activities without adequate training.

Examples are:

- Communication Skills
- Occupational Health and Safety
- Production and Process
- Product Despatch
- Quarrying and Transport
- Materials Handling
- First Line Minor Maintenance
- Complete Maintenance
- Problem Solving/Team Skills
- Quality Sampling/Testing
- Instructing and Training
- Supervision
- Specialist Skills
- General Duties



Codes used in classification structures refer to the Kandos Quality system eg STPA = Structured Training Plan Assessment. KA-TPA-203 for example refers to the KA (Kandos) TPA (Training Plan) 203 (Document no. for industrial cleaning module)

In a similar fashion Classification Descriptions are coded as follows: KA-PD-103 may be interpreted as KA (Kandos) PD (Position description) 103 (Document no. for Quarry grade 2 employee).

15.2 UTILISATION OF SKILLS

Employees shall be employed to carry out such duties as may be directed by Australian Cement from time to time subject to the limits of their skills, competence and training within their work classification.

Any employee may at any time carry out such duties and use such tools and equipment, within their classifications, as may be directed by Australian Cement provided that the employee has been properly trained in the use of such tools and equipment.

Any direction given by Australian Cement in accordance with any of the above shall be consistent with their obligations under the NSW Occupational Health and Safety Act 1983.

Disputes arising in relation to the operation of this clause shall be dealt with in accordance with clause 66 Dispute/Grievance procedure following prior consideration of the issue in accordance with the consultative mechanism in clause 13.

Registered Enterprise Agreement

AUSTRALIAN CEMENT KANDOS Operations Employee Grade 2

Pre-requisite for commencing Grade 2 skills is to complete Grade 1 induction.

SKILL	CODE	ON THE JOB POINTS	OFF THE JOB POINTS
Mobile Equipment	KA-TPA-201	20	p. Carrier and Car
Industrial Vacuum Cleaner	KA-TPA-202	10	
Industrial Cleaning	KA-TPA-203	10	
Specialised Cleaning	KA-TPA-204	20	
Environment Control	KA-TPA-207	10	
Bulk train loading	KA-TPA-210	20	
First line maintenance	KA-TPA-213	10	
Siding Maintenance	KA-TPA-212	10	
Lubrication	KA-TPA-214	20	
Store Relief	KA-TPA-215	10	
Introduction to teams	KA-TPA-218	10	
Certificate 11 in Cement Manufacturing Operations	KA-TPA-216		140 Registere
compulsory			Enterprise Agre

AUSTRALIAN CEMENT KANDOS

Operations Employee Grade 3

Pre-requisite for commencing grade 3 skills is to complete minimum 140 points on and 140 points off the job in the grade 2 list.

SKILL	CODE	ON THE JOB POINTS	OFF THE JOB POINTS
Truck licence	KA-TPA-301	40	
Front-end Loader	KA-TPA-302	40	nl
Fork-lift	KA-TPA-303	40	
Tractor Operations	KA-TPA-308	20	
Records	KA-TPA-310	20	
Teams	KA-TPA-311	20	
Central Control Assistant	KA-TPA- 312313,314	40	
Certificate 11 in Cement Manufacturing Operations.	KA-TPA-216		140
Store	KA-TPA-217	40	

Compulsory

compulsory for shift employees

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Operations Employee Grade 4

Pre-requisite for commencing Grade 4 skills is to complete minimum 140 points on and 140 points off the job in the grade 3 list and be a shift employee.

SKILL	CODE	ON THE JOB POINTS	OFF THE JOB POINTS
Teams	KA-TPA-400	20	
Central Control Quality	KA-TPA-401	40	
Certificate 1V in Cement Manufacturing Operations.	KA-TPA-403		180

Compulsory

Operations Employee Grade 5

Pre-requisite for commencing grade 5 skills is to complete minimum 240 points on and off the job in the grade 4 list and be a shift employee.

SKILL	CODE	ON THE JOB POINTS	OFF THE JOB POINTS
Teams	KA-TPA-500	20	
Central Control Operator	KA-TPA-501	40	TE DATE STORY
Certificate 1V in Cement Manufacturing Operations.	KA-TPA-40		180

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Operations Employee Grade 6

Pre-requisite for commencing grade 6 skills is to complete minimum 240 points on and off the job in the grade 5 list and have 12 months experience as a C.C.O. grade 5 level

SKILL	CODE	ON THE JOB POINTS	OFF THE JOB POINTS
Teams	KA-TPA-600	40	
Training and Coaching	KA-TPA-601	20	Module 40
Matman	KA-TPA-602	20	
Reporting Writing	KA-TPA-603	20	Module 40
Plant Inspection	KA-TPA-604	20	
Investigate skills	KA-TPA-605	20	Module 40

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Quarry Operations Employee Grade 2 Pre-requisite for commencing grade 2 skills is to complete grade 1 induction

SKILL	CODE	ON THE JOB POINTS	OFF THE JOB POINTS
Crusher Operations	KA-TPA-003	20	· ·
Small Truck	KA-TPA-007	10	
Industrial Cleaning	KA-TPA-203	10	
Hiab vehicle operations	KA-TPA-005	20	
Environment Control	KA-TPA-207	10	
First line maintenance	KA-TPA-213	10	
Shotfirer Assistant	KA-TPA-006	30	
Lubrication	KA-TPA-214	20	
Introduction to teams	KA-TPA-001	-10	
Certificate 11 or an equivalent Quarry Certificate			140

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Quarry Operations Employee Grade 3

Pre-requisite for commencing grade 3 skills is to complete minimum 140 points on and 140 points off the job in the grade 2 list

SKILL	CODE	ON THE JOB POINTS	OFF THE JOB POINTS
Water Truck Operations	KA-TPA-004	20	1
Haulage Truck	KA-TPA-010	20	
Fork-lift	KA-TPA-303	40	
Grader Operations	KA-TPA-012	20	
Drilling operations	KA-TPA-011	20	
Teams	KA-TPA-010	20	
Continue Certificate			140

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Quarry Operations Employee Grade 4 Pre-requisite for commencing grade 4 skills is to complete minimum 140 points on and 140 points off the job in the grade 3 list

SKILL	CODE	ON THE JOB POINTS	OFF THE JOB POINTS	
Teams	KA-TPA-015	20:		
Shotfirers ticket	KA-TPA-013	40	TAFE Course 80	
Front-end loader Operations	KA-TPA-016	60		
Certificate		1	80	

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Engineering Employee Electrical

Grades								
3	4	5	6	7	8			
Tickets & the on the job application of the skills		·						
	Base trade & the on the job application of the skills							
		Grade 4 Skills High Voltage, Tickets and 1 approved accredited module and the on the job application of the skills	1					
			Grade 4 & 5 Skills plus 3 approved accredited modules & the on the job application of the skills.					
				Grade 4 5 & 6 Skills approved accredited modules & the on the job application of the skills.				
					Grade 4 5 6 & 7 Skills plus 3 approved accredited modules and the on the job application of the skills.			

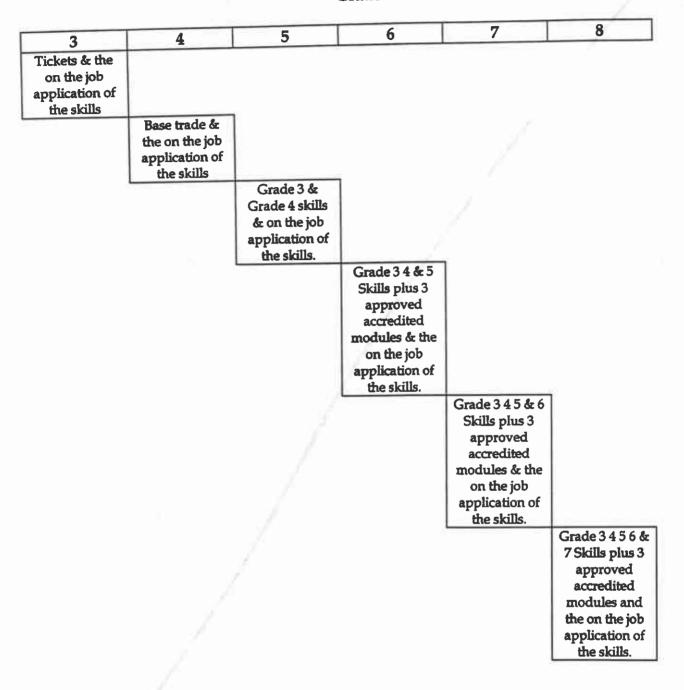
During the life of this E.A. on the job competencies and their assessment will be developed for each level in the electrical engineering stream.

Team training and activities associated with teams will be part of each level 'on the job' requirements.

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Engineering Employee Mechanical Grades



During the life of this E.A. 'on the job' competencies and their assessment will be developed for each level in the mechanical engineering stream.

Team training and activities associated with teams will be part of each level 'on the job' requirements.

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15.3 CLASSIFICATION DESCRIPTIONS

15.3.1 Operations Employees Grade 1

An operations employees grade 1 is an employee who on commencement of employment will undertake a 40 hour induction program, which includes information on the enterprise, conditions of employment training and career path opportunities, plant layout, Quality Assurance Procedures, introduction to personnel and a major focus on OH & S matters.

An employee at this level will commence structured competency based 'on and off the job' training to their relevant area in order to perform the duties of a process employee grade 2. (Refer to classification structure).

As training on each 'on the job' skill is completed a formal assessment will be conducted to ensure competence has been achieved thus allowing the employee to undertake that task as part of their day to day duties.

An employee at grade 1 will commence the 'off the job' training which is Certificate 11 in Cement Manufacturing Operations (refer to Course Structure).

15.3.2 Operations Employee Grade 2

Position Description Quarry
Operations

KA-PD-103 KA-PD-218

An operations employee grade 2 is an employee who has successfully completed the induction training and the 'on the job' training and assessments in their relevant area as per the classification structure. An employee at this level will need to have completed 50% or minimum 140 hours of Certificate 11 in Cement Manufacturing Operations.

An employee at grade 2 will continue the structured competency based 'on and off the job' training to their relevant area to perform duties of a process employee grade 3 (refer to Classification Structure).

As training on each 'on the job' skills is completed a formal assessment will be conducted to ensure competence has been achieved thus allowing the employee to undertake that task as part of their day to day duties.

Registered Registered Agreement Industrial Registrat An employee at grade 2 will complete Certificate 11 in Cement Manufacturing Operations.

15.3.3 Operations Employee Grade 3

Position Description
Quarry
Operations
Storeperson

KA-PD-104
KA-PD-214
KA-PD-928

An operations employee grade 3 is an employee who has successfully completed the 'on the job' training and assessments in their relevant area as per the classification structure. An employee at this level will have completed Certificate 11 in Cement Manufacturing Operations.

An employee at this level (except at the Quarry) to continue on the process career path will need to change to a permanent shift employee roster.

An operations employee grade 3, including Quarry, will continue the structured competency based 'on and off the job' training as per the classification structure to perform duties of a process employee grade 4.

As training on each 'on the job' skills is completed a formal assessment will be conducted to ensure competence has been achieved thus allowing the employee to undertake that task as part of their day to day duties.

An employee at this level (excluding Quarry) will commence the 'off the job' course Certificate IV in Cement Manufacturing Operations (refer to Course Structure).

15.3.4 Operations Employee Grade 4

Position Description Quarry KA-PD-105 Operations KA-PD-215

An operations employee grade 4 is an employee who has successfully completed the 'on the job' training and assessment in their relevant area as per the classification structure. An employee at this level (excluding the Quarry) will have completed a minimum 140 hours of Certificate IV in Cement Manufacturing Operations.

There are no operation positions above grade 4 at the Quart

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An operations employee grade 4 will continue the structured competency based 'on and off the job' training as per the classification structure to perform duties of an operations employee grade 5.

As training on each 'on the job' skill is completed a formal assessment will be conducted to ensure competence has been achieved thus allowing the employee to undertake that task as part of their day to day duties.

An employee at this level will continue the 'off the job' course which Certificate IV in Cement Manufacturing Operations.

15.3.5 Operations Employee Grade 5. Position Description

Operations KA-PD-216

An operations employee grade 5 is an employee who has successfully completed the 'on the job' training and assessment as per the classification structure and who has completed the 'off the job' training which is the Certificate IV in Cement Manufacturing Operations.

An operations employee grade 5 will continue the structured competency based 'on and off the job' training as per the classification structure to perform duties of an operations employee grade 6.

As training on each 'on the job' skill is completed a formal assessment will be conducted to ensure competence has been achieved thus allowing the employee to undertake that task as part of their day to day duties.

15.3.6 Operations Employee Grade 6 Position Description Operations KA-PD-217

An operations employee grade 6 is an employee who has successfully completed all the 'on and off the job' training and assessments as per classification structure and who applies all their knowledge and skills as part of their work functions

15.3.7 Mechanical Maintenance Employee Grade 3
Position Description KA-PD-612

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A mechanical maintenance employee grade 3 is an employee who has successfully completed structured competency based training

and who applies their knowledge and skills as part of their day to day duties.

An employee at this level is a skilled non-tradesperson who must be capable or as a minimum successfully completed training and assessment for:

- tickets to allow them to perform work associated with a forklift, mobile crane;
- successfully completed training and assessment for a Class
 1 riggers ticket to allow them to perform work associated with the ticket;
- successfully completed training and assessment for first line maintenance tasks;
- successfully completing training and assessment associated with housekeeping duties;
- successfully completed training and assessment to carry out functions associated with workshop inventory and stock control including the use of computer keyboards.

15.3.8 Mechanical Maintenance Employee Grade 4 Position Description KA-PD-613

A mechanical maintenance employee grade 4 is an employee who has successfully completed an Engineering/Mechanical Trade course and who applies their knowledge and skills as part of their day to day duties.

An employee at this level may progress to a grade 5 on the basis of completing the necessary structured competency based training and assessments.

15.3.9 Mechanical Maintenance Employee grade 5 Position Description KA-PD-614

A mechanical maintenance employee grade 5 is an employee who has completed an Engineering Mechanical Trade Course and who has successfully completed training and assessment to obtain the following tickets:

- Rigger Class 1
- Crane Driver 10.2 (minimum)
- Crane Driver Class 24 (fork lift)

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As training and assessment has been completed the employee will carry out duties to the level of the training.

An employee at this level may progress to a grade 6 on the basis of completing the necessary structured competency based training and assessment. The training modules for progression to the next level must be approved and accredited:

- Approved meaning they are modules that enhance skills required on site at Australian Cement Limited Kandos.
- Accredited meaning they, when completed will give the participant a formal qualification eg Statement of Attainment from TAFE.
- A module means a program equivalent to a TAFE module of 36 to 40 hours, provided by an Approved Accredited Provider.

An employee at this level would apply all knowledge and skills to perform their day to day duties.

15.3.10 Mechanical Maintenance Employee Grade 6 Position Description KA-PD-615

A mechanical maintenance employee grade 6 is an employee who has completed all the requirements for a grade 5 and who has completed three approved, accredited modules from the agreed bank of modules.

An employee of this level has the opportunity to progress to the grade 7 by completing a further three approved and accredited modules from the agreed bank of modules.

An employee at this level would apply all knowledge and skills to perform their day to day duties.

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15.3.11 Mechanical Maintenance Employee Grade 7 Position Description KA-PD-616

A mechanical maintenance employee grade 7 is an employee who has completed all the requirements for a grade 6 and who has completed a further three approved accredited modules from the agreed bank of modules.

An employee at this level would apply all knowledge and skills to perform their day to day duties.

15.3.12 Mechanical Maintenance Employee Grade 8 KA-PD-617 Position Description

A mechanical maintenance employee grade 8 is an employee who has completed all the requirements for a grade 7 and who has completed a further three approved accredited modules from the agreed bank of modules.

An employee at this level would apply all knowledge and skills to perform their day to day duties.

15.3.13 Electrical Employee Grade 3 KA-PD-619 Position Description

An electrical maintenance employee level grade 3 is an employee who has successfully completed structured competency based training and who applies their knowledge and skills as part of their day to day duties.

An employee at this level is a skilled non-tradesperson who must be capable or as a minimum successfully completed training and assessment for:

- tickets and or training and assessment to perform work associated with a fork lift and overhead crane;
- successfully completed training and assessment for first line maintenance tasks:
- successfully completing training and assessment associated with housekeeping duties;
- successfully completed training and assessment to carry out functions associated with workshop inventory and stock control including the use of computer keyboards;
- successfully completed training and assessment to carry out basic electrical task:
 - meter reading



motor isolation (switches on/off and tags an already stopped motor)

15.3.14 Electrical Maintenance Employee Grade 5 Position Description KA-PD-620

An electrical maintenance employee level grade 5 is an employee who has completed an Electrical Trade Course of a type approved by the E.E.I.T.C. and who has successfully completed training and assessment to obtain the following:

- High Voltage Safe Working Practices, Access Permit Issuer
- Ticket and/or training and assessment for Crane Driver Class 24 (forklift) and overhead crane.
- One other approved, accredited module from an agreed module bank.

An employee at this level would apply all knowledge and skills to perform their day to day duties.

An employee at this level may progress to grade 6 on the basis of completing the necessary structured competency based training and assessment:

- Approved meaning they are modules that enhance skills required on site at Australian Cement Limited Kandos.
- Accredited meaning they, when completed will give the participant a formal qualification eg Statement of Attainment from TAFE.
- A module means a program equivalent to a TAFE module of 36 to 40 hours.

An employee at this level would apply all knowledge and skills to perform their day to day duties.

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15.3.15 Electrical Maintenance Employee Grade 6 Position Description KA-PD-621

An electrical maintenance employee grade 6 is an employee who has completed all the requirements for a grade 5 and who has completed three approved, accredited modules from the agreed bank of modules.

An employee of this level has the opportunity to progress to the grade 7 by completing a further three approved and accredited modules from the agreed bank of modules.

An employee at this level would apply all knowledge and skills to perform their day to day duties.

15.3.16 Electrical Maintenance Employee Grade 7 Position Description KA-PD-622

An electrical maintenance employee grade 7 is an employee has completed all the requirements for a grade 6 and who has completed a further three approved accredited modules from the agreed bank of modules.

An employee of this level has the opportunity to progress to the grade 8 by completing a further three approved and accredited modules from the agreed bank of modules.

An employee at this level would apply all knowledge and skills to perform their day to day duties.

15.3.17 Electrical Maintenance Employee Grade 8 Position Description KA-PD-623

An electrical maintenance employee grade 8 is an employee who has completed all the requirements for a grade 7 and who has completed a further three approved accredited modules from the agreed bank of modules.

An employee at this level would apply all knowledge and skills to perform their day to day duties.

Note: Grade 8 S is for Australian Cement Kandos. Electrical Maintenance Employees as at 1.07.97 who have completed or need to complete the requirements of an Electrical Maintenance Employee Grade 8 or who have completed the Certificate of Electro Technology.

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15.4 PROGRESSION/CAREER DEVELOPMENT

All employees will be encouraged and assisted to progress to the highest level personally attainable consistent with the needs of the workplace. When a new employee enters at a high level due to particular skills

requirements he/she must familiarise him/herself with the skills required at a lower level within 12 months to ensure full flexibility.

Points for both 'on and off' the job skills have been allocated (refer to classification structure).

On completing 140 points in each grade from the 'on or off' the job list 50% of the level increase will be paid and the remaining 50% on completing the final 140 points.

15.5 TRANSITION ARRANGEMENTS

Where the adoption of this agreement creates individual situations where an employee's rate of pay and skill level does not fit the agreement, the following principles will apply:

- a) No employee will lose pay because of the transition;
- b) Some employees will need to develop additional skills and must do so within 12 months.

16. LABOUR FLEXIBILITY

16.1 Employees shall perform a wider range of functions and duties including work which is incidental or peripheral to their main tasks or functions.

Within their classification, employees shall perform such work as is reasonable and lawfully required of them including accepting instruction from authorised personnel.

Employees shall comply with all reasonable requests to perform relevant work covered by this agreement.

In carrying out duties, employees shall ensure and take all necessary steps to ensure that the quality, accuracy and completion of any job or task are maintained to the satisfaction of management. Employees shall assist in the measurement of and/or review of work methods and the utilisation of labour under the terms and conditions of this agreement.

Any direction given by management shall be consistent with the O H & S obligations noted at clause 67.

16.2 For the purpose of meeting the needs of the industry an employee may be required to work reasonable overtime. This may include work on Sundays and holidays at the rate prescribed by this agreement and



unless reasonable excuse exists, the employee shall work in accordance with such requirements.

16.3 For the purpose of meeting the needs of the industry an employee may be required to transfer from one shift arrangement to another shift arrangement prescribed by this agreement at the rate applicable thereto and unless reasonable cause exists an employee shall transfer in accordance with such requirement.



Part C- REMUNERATION

17. ANNUALISED SALARIES

It is the intention of the parties to investigate and develop an annualised salary system within this agreement This will involve the consolidation of overtime payments, penalty rates, and allowances into an all inclusive loaded, annualised salary. This system will be developed in conjunction with the parties using the normal consultative process.

18. WAGES

The parties agree that there will be productivity pay increases for employees based on agreed performance levels as measured by a series of Key Performance Indicators (KPI's). These KPI's which will be identified and implemented during the life of this agreement.

18.1 PAYMENTS

18.1.1 Employee Grades.

The base rate of pay for each grade will be increased as per the schedule.

18.1.2 Site Allowance (previously known as Disability Allowance)

The current site allowance of \$37.07 will be incorporated into the base rate from 1st June, 1997 and will move automatically with each wage increase.

18.1.3 Leading Hand Allowance

The leading hand allowance will stay in place for the current recipients as long as they are employed. When they leave the natural skill/responsibility rates in the grade system will take its place.

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18.2 PAY RATES

GRADE	CURRENT	NEW RATE	AGREEMENT	3RD PAY	4 TH PAY	
(3 STREAMS)	RATE	1.7.97	E.A. 18.8.97	1.6.98	1.12.98	
(3 3 I KEAMO)	1.6.97	+2%	+2%	+2%	+2%	
Grade 1 (O only)	481.74	494.09	503.97	514.05	524.33	
Grade 1A (O only)		506.44	516.57	526.90	537.44	
Grade 2 (O only)	507.90	518.79	529.17	539.75	550.55	
Grade 2A (O only)		531.76	542.40	553.25	564.31	
Grade 3 (O, M & E)	534.05	544.73	555.63	566.74	578.08	
Grade 3A (O, M & E)		558.35	569.52	580.91	592.53	
Grade 4 (O, M & E)	560,21	571.42	582.85	594.51	606.40	
Grade 4A (O, M & E)		585.71	597.42	609.37	621.56	
Grade 5 (O, M & E)	586.37	600.00	612.00	624.24	636.72	
Grade 5A (O, M & E)		615.00	627.30	639.84	652.64	
Grade 6 (O, M & E)	612.52	630.00	642.60	655.45	668.56	
Grade 6A (M & E)		645.75	658.66	671.83	685.27	
Grade 7 (M & E)	638.68	661.49	674.72	688.22	701.98	
Grade 7A (M & E)		678.03	691.59	705.42	719.53	
Grade 8 (M & E)	664.84	694.57	708.46	722.63	737.08	
Grade 8A (E)		711.93	726.17	740.70	755.51	
Grade 8S (Current E only)	691.00	729.30	743.88	758.76	773.94	
* includes site allowance	37.07	37.82	38.57	39.34	40.13	

(E = Electrical Maintenance, M = Mechanical Maintenance, O = Operations)

(A = Half way point between levels)

18.3 CASUAL RATES

For each ordinary hour worked, a casual employee shall be paid the hourly equivalent of the appropriate weekly wage prescribed by this agreement for the work performed, plus an additional 20 percent of that hourly rate.

Such loading is in lieu of public holidays not worked, sick leave, jury service and bereavement leave, prescribed for any other employees under this agreement. The NSW Annual Holidays Act provides that a casual employee under this agreement is entitled to receive an additional 1/12th of the ordinary casual hourly wage rate in lieu of annual leave.



19. ALLOWANCES

In addition to the rates referred to above the following shall be paid to employees who are authorised by management to fulfil such designated roles.

ALLOWANCE	CURRENT RATE 1.6.97	NEW RATE 1.7.97	AGREEMENT E.A.	3 RD PAY 1.6.98	4 TH PAY 1.12.98
Tool Allow - Engineering	9.98	9.98	9.98	9.98	9.98
Tool Allow - Carpenters	13.94	13.94	13.94	13.94	13.94
Tool Allow - Bricklayers	9.84	9.84	9.84	9.84	9.84
Site Allowance (incorporated into base rate).	37.07	37.82	38.58	39.35	40.13
L/Hand 1-5 employees	19.61	19.61	19.61	19.61	19.61
L/Hand 5-15 employees	28.21	28.21	28.21	28.21	28.21
L/Hand > 16 employees	36.82	36.82	36.82	36.82	36.82
Electricians licence	22.45	22.45	22.45	22.45	22.45
Tea Money (1/2 shift allowance)	7.04	7.52	7.67	7.82	7.98
Shift allowance (one hour Grade 4)	14.74	15.04	15.34	15.64	15.96

19.1. KPI PAYMENTS

19.1.1 First Payment

Each employee will receive a 2% pay increase on their base rate to enter into this Enterprise Development Agreement with a further 6% guaranteed over the following 24 months.

Payment will be made as follows:

19.1.2 Second Payment

An increase of 2% shall take effect upon finalising the document and having official acceptance by the entire workforce. (as per 15.2)

19.1.3 Third Payment

An increase of 2% shall take effect on 1.6.98. This payment will be made on the basis that the Performance Indicators are identified in accordance with clause 20.2.

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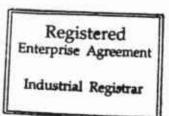
19.1.4 Fourth Payment

An increase of 2% shall take effect on 1.12.98. This payment will be made on the basis of support for the identified Key Performance Indicators.

19.1.5 "Possible" Additional Payment (1.6.99)

There will be available a further 2% minimum as a result of achieving the targets in the Key Performance Indicator matrix.

KPI PERCENTAGE ACHIEVED	FINAL % PAY INCREASE		
85 to 100	2		
70 to 84	1		
50 to 69	0		



During the term of this agreement there will be no further pay increases for employees covered by this agreement other than the increases provided within the terms of this agreement. KPI totals that exceed 100% will be recognised and credited against the next agreement.

20. PERFORMANCE INDICATORS

- 20.1 The parties agree to the maintenance of performance improvement programs including the establishing of performance indicators as a way of defining achievable targets agreed by all and supported by clear objectives.
- 20.2 The parties further agree that an effective range of performance indicators will be developed during the lifetime of this agreement.

The Workplace Consultative Committee will develop processes to facilitate the introduction of an effective value added performance and reward management systems to assist the employee and the supervisor in implementing the provision of this clause. Until such time as the Workplace Consultative Committee develops the process existing procedures will continue to apply.

The parties commit themselves to a process of continuous improvement and see performance indicators and performance standards as a means of measuring what has been achieved and the need for any further improvements. The primary role of performance indicators is to assist in the attainment of corporate goals in the interest of the customers, staff and Australian Cement Limited in improving the quality of service.

Performance indicators can only be developed with reference to clearly articulated departmental and work group objectives. These objectives will be developed through a consultative process and will be subject to periodic review.

It is recognised that performance indicators are not an end in themselves but are a means of identifying trends and efficiency against Best Practice benchmarks. They enable the identification of areas where there is potential for further improvements.

21. TOOLS

- 21.1 Australian Cement Kandos shall provide all necessary power tools, special purpose tools, precision measuring instruments, chisels, hammers, files, spanners (over 13 mm bolt size), hack saw blades, steel tapes (over 2 metres), multi grip type of tools (over 300 mm), chalk lines and torches. An employee shall replace or shall pay for tools so supplied if lost by his/her negligence.
- 21.2 Except as herein before provided, employees in receipt of tool allowances shall supply all necessary hand tools and measuring instruments.
- In the event that employees have to modify one of the above tools for specific tasks (eg cutting or bending a spanner to fit a particular component) then the employee may seek replacement of the original tool to a similar quality at no expense to the employee, similarly if employees lose tools or have them stolen through no fault of their own they may make application to their supervisor for replacement. Each case will be considered on its merit.

22. BEST PRACTICES

The parties agree that Best Practices are simply the best way of doing things - it is a process of constantly changing and adapting to new pressures. Best Practices are not fixed. At any particular point in time it is the method of operation to achieve exemplary levels of performance. Best Practices are not

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restricted to an examination of costs but also include quality and timeliness of delivery.

The "Best Practices" program is to be based on the following principles:

- understanding and measuring customer needs;
- benchmarking;
- continuous improvements;
- multi-skilled workforce;
- flexible workforce committed to change; and
- employee involvement.

Both parties agree that international or other relevant Best Practices be jointly identified and adopted in measuring and improving the efficiency of all company functions.

As a result both parties are committed to a process which will ensure that by the completion of this agreement's first operating year:

- will have developed and implemented systems which will identify local and international Best Practices benchmarks in specific target areas in Australian Cement, Kandos.
- The commencement of the second agreement will have developed and implemented Best Practices benchmarks across the company wherever appropriate.

The identification, development and implementation of Best Practices benchmarks will be undertaken in consultation and agreed with the Workplace Consultative Committee. Appropriate training will be given to the members of any working party formed.

Australian Cement Kandos is committed to achieving international Best Practice levels of performance across its entire operations including management, technology, quality, job design, skill enhancement and employer/employee relations. All parties agree to cooperate in the joint development and implementation of an International Best Practice Program, through which benchmarks for performance are developed jointly in all key areas.

Performance indicators may include, but are not limited to measures of quality, material utilisation, labour input, absenteeism, safety or any combination of the above or other measures.

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Part D - HOURS OF WORK

Australian Cement Kandos and its employees agree that there are three fundamental objectives to be considered in determining how an employee's working hours are to be structured under this agreement:

- a) the most effective production and delivery of service;
- b) the most effective way of servicing the internal and external customer; and
- c) the most effective way of meeting employee's needs for satisfying work, personal development, health and workplace safety.

23. DEFINITIONS

- 23.1 Day Employees are personnel employed on day shifts from and/or including Monday to and/or including Friday.
- 23.2 Shift Employees are personnel who work either a one, two, or three shift system and are not day employees.

eg 5 day - Day Shift Roster 5 day - Shift Roster 7 day - Day Shift

23.3 Continuous Shift Employees are those employed for consecutive shifts through out the twenty-four hours of at least six consecutive days without interruption except during breakdowns or meal breaks or due to unavoidable causes beyond the control of the employer.

Continuous Shift Work is when at the completion of a shift, a second shift continues to execute the work.

Consecutive Shift Work is when at the completion of a shift execution of the work is halted for a period.

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24. SPREAD OF HOURS

24.1 Day Work and Day Shift shall commence at a mutually agreed time from 6.00 am (0600 hrs) to 10.00 am (1000 hrs) and shall finish at a mutually agreed time from 2.00 pm (1400 hrs) to 6.00 pm (1800 hrs).

24.2 Afternoon Shift shall commence at a mutually agreed time from 2.00 pm (1400 hrs) to 6.00 pm (1800 hrs) and shall finish at a mutually agreed time from 10.00 pm (2200 hrs to 2.00 am (0200 hrs).

- 24.3 Night Shift shall commence at a mutually agreed time from 10.00 pm (2200 hrs) to 2.00 am (0200 hrs) and shall finish at a mutually agreed time from 6.00 am (0600 hrs) to 10.00 am (1000 hrs)
- 24.4 Should the need arise to introduce permanent shifts for maintenance personnel then separate negotiations will need to be entered into.

Ordinary working hours shall not exceed:

8 hours per day, or

38 hours per week, or

76 hours in 14 consecutive days, or

114 hours in 21 consecutive days, or

152 hours in 28 consecutive days (7 day continuous shift work).

25. TRIAL OF HOURS

It will be possible by mutual agreement to trial various rostering arrangements and to monitor them for:

- a) safety and occupational health matters;
- b) productivity and efficiency levels;
- c) cost benefits.

Any trial will be investigated through the Workplace Consultative Committee with no party or individual being disadvantaged.

26. FLEXIBILITY OF HOURS

Employees may swap shifts by private arrangement between each other provided that:

- a) both employees obtain their supervisor's prior approval;
- b) time records show the employee who actually worked the shift and the employee who was rostered to work the shift; and
- c) Australian Cement Kandos will pay the employees for the shifts actually worked.

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27. TIME IN LIEU

- 27.1 Where a day or 5 day shift employee is required to work either a public holiday or rostered day off, an alternate day off may be taken subject to their supervisor's prior approval.
- 27.2 All parties agree to the concept of allowing employees access to time management methods in areas they can control. Some examples are:
 - being able to start early or finish late to allow for anticipated time off for personal business;
 - b) being able to work through a recognised break or breaks to make up for time lost (late arrival for example);
 - c) greater flexibility in arranging work hours for specific reasons (eg heat wave or early starts).

The period of leave taken in lieu will equate with the period worked (hour worked equals an hours leave, etc) rounded off to the nearest 15 minutes

- It is by mutually developing open ended flexibility's that employees and management can both benefit.
- 27.3 Employees may "bank" overtime hours up to a maximum of 12 hours, which may be used to attend to personal business at a mutually agreed time. Shift cover in this case will add to the covering person's bank. Maximum "credit" permitted will be 8 hours. Any time in lieu borrowed must be paid back within a 3-month period from the time of borrowing.

28. PART TIME EMPLOYEES

Through prior consultation it will be possible under agreed circumstances to employ personnel under part time arrangements for specific duties.

29. SHIFT WORK

- 29.1 All employees are engaged on the basis that they may be required to work shifts as required by Australian Cement Kandos.
- 29.2 Shift employees on afternoon or night shift only shall be paid an allowance based on the amount of one hour's operations grade 4 rule.

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- 29.3 48 hours notice is required to change a shift employee onto a shift other than the one he/she would ordinarily be rostered to work. In the event of not having this notice then overtime rates will apply until this notice period expires. Local arrangements may supersede this if mutually agreed.
- 29.4 Day employees who transfer to continuous shift work conditions will also be entitled to 48 hours notice as above.
- 29.5 Day employees who become shift employees are entitled to all the rates and accruals as a shift employee.

30. OVERTIME

The assignment of overtime to an employee shall be based on specific work requirements and will be shared equitably by arrangement.

All time worked in excess of the ordinary working hours prescribed by this award shall be paid at the rate of double time.

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This clause shall not apply when the time is worked:

- a) As part of the rostered Saturday or a normal 19-day cycle for a continuous shift employee (eg remains at the rate of time and one half);
- b) by arrangements between employees themselves; or
- c) For the purpose of effecting the customary rotation of shifts.

When overtime work is necessary it shall, wherever reasonably practicable, be so arranged that employees have at least ten consecutive hours off duty between the work of successive days.

An employee (other than a casual employee) who works so much overtime between the termination of his ordinary work on one day and the commencement of his ordinary work on the next day that he has not had at least ten consecutive hours off duty between those times, shall, subject to this subclause, be released after completion of such overtime until he has had ten consecutive hours off duty without loss of pay for ordinary working time occurring during such absence.

If on the instructions of Australian Cement Kandos such an employee resumes or continues work without having had such ten consecutive hours off duty he shall be paid at double rates until he is released from duty for such period and he shall then be entitled to be absent until he has had ten consecutive hours off duty without loss of pay for ordinary working time occurring during such absence.

It is recognised that circumstances can differ between individuals and between departments and under these conditions employees are encouraged to communicate with their supervisors who will deal empathically with each case to maintain flexibility and harmony.

Shift allowances will stand-alone and not be subject to any premium or penalty additions.

Employees are permitted to accumulate overtime in a "bank" (refer to clause 27 (3) to be used for personal use if required. The time accumulated will be as worked eg (2 hours worked equals 2 hours accumulated). If the "bank" is not used then it will be paid at the appropriate rate. It is to be stressed that this provision exists as a flexibility factor and not for any other purpose.

Quarry overtime arrangements that exist by mutual agreement (to suit weather, noise control, etc) will stay unless circumstances or legislation or consensus arrangements replace them.

31. MEALS AND REST PERIODS

Meal breaks are to be taken to minimise disruptions to the work in hand and to increase the productivity and efficiency of each work group. Tea breaks of 15-minute duration shall be taken no less than 1 hour and no more than 3 hours from the commencement of work or a previous meal break.

31.1 GUIDELINES

- 31.1.1 Meal breaks (20 minutes for shift workers and 30 minutes for day workers) shall be taken no less than 3 hours and no more than 6 hours from the commencement of work or a previous meal break.
- 31.1.2 Meal allowances (paid as per clause 19) or meals shall be supplied after working more than 2 hours of unplanned overtime (notified after completion of previous shift or within 24 hours notice, which ever is the lesser) and every 4 hours after the initial meal break.
- 31.1.3 If planned (notified before the end of the previous shift or more than 24 hours prior to commencement) overtime is cancelled within 24 hours of planned start of the overtime, a meal allowance shall be paid.

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- 31.1.4 Day workers required to work on weekends, public holidays or rostered leisure days shall be paid at the appropriate rate (clause 30) for hours worked and at single time for meal breaks taken.
- 31.1.5 For the purpose of effecting shutdowns/breakdowns the current agreed meal provisions for continuous shift crews will be as mutually agreed.
- 31.1.6 For the purpose of effecting shutdowns/breakdowns the current agreed meal provisions for consecutive shift crews will be as mutually agreed.
- 31.1.7 For the purpose of effecting shutdowns/breakdowns/overtime. The current agreed meal provisions for maintenance crews will be as agreed.
- **31.1.8** For the purpose of calculations, a meal allowance will be deemed to be one half of a shift allowance and will be indexed accordingly (paid as per clause 19).

31.2 REST PERIODS

At the completion of any shift, a minimum rest period of 8 hours shall apply. Future changes will be explored during the life of this agreement and will be changed only by mutual consent. (Substitute 10 hours for maintenance employees).

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Part E - LEAVE

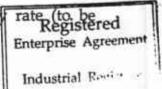
32. ANNUAL LEAVE

All employees are entitled to annual leave as per the Annual Leave Act 1944.

- 32.1 Continuous process shift employees as defined shall be entitled to an extra seven consecutive days leave including non working days with thirty eight hours pay at ordinary rates.
- 32.2 For the purpose of annual leave, a seven day shift employee shall be paid at the average rate for his/her normal shift cycle which shall include shift allowance, weekend penalties and the twentieth shift payment.
- 32.3 Any continuous process shift employee who leaves either of their own accord or through no fault has their employment terminated shall be paid in addition to the amount due under the Act three and one sixth hours at ordinary rates for each month of service as a continuous process shift employee during the current twelve monthly period.
- It is agreed to integrate the current annual leave loading into the hourly rate as part of the all-purpose rate (refer Pay and Allowances Part C).
- 32.5 Should the need arise to compel employees to take annual leave then it is a requirement of Australian Cement Kandos to give one months notice to the individuals concerned.
- 32.6 It is agreed that employees may, if they wish, apply for single day annual leave absences up to a maximum of 5 days in any calendar year. The normal approval procedures will be followed through their supervisor.

33. ANNUAL LEAVE LOADING

The annual leave loading has been integrated into the hourly calculated for all purposes).



34. ABSENTEEISM MINIMISATION

34.1 It is recognised by all parties to this Enterprise Development Agreement that daily attendance at work must be a basic part of the employment relationship at this Enterprise. In this regard, the only absences from work should be for genuine sick leave and/or for other approved reasons.

- 34.2 The parties note that the introduction of additional flexible working hour's arrangements as part of this agreement will increase the opportunities for the Company to enter into arrangements with employees to accommodate any special circumstances requiring an authorised absence.
- 34.3 It is recognised that abuse of sick leave by any employee adds to the cost structure of the Company's operations and therefore is a contributing factor to the overall capacity to provide employment.

In order to reduce the incidence of absenteeism and unsubstantiated sick leave and to provide flexibility for employees, the parties agree to the following:

- 34.4 A formal Absenteeism Minimisation Program (AMP) containing a counselling procedure is being developed by "The People KRA Team" and will be introduced through consultation with the Workplace Consultative Committee;
- 34.5 It is firmly understood by all parties that there is no reduction in entitlement to leave that was previously available to employees and enabled them to be absent from work when ill for a number of days each year and not lose money.

With a well considered strategy we may all be able to identify why people are absent and what the causes of those absences are, for example we may find it is job design, layout, or other local environmental reasons that can be addressed.

35. SICK LEAVE

An employee other than a casual who is absent from work on account of personal illness or on account of injury by accident neither of which is due to the employees own serious and wilful misconduct shall be entitled to ordinary time payment for such absence subject to the following provisions:

35.1 ACCUMULATIVE ENTITLEMENTS

(a) 0 to 3 months continuous service = 0 days Industrial Registrar 3 months to 12 months (first year) = 5 days ordinary time

Each subsequent year = 10 days ordinary time rates

If the full period of sick leave is not taken during the year then the untaken portion shall accumulate to a maximum of twenty days. Where an employee would not accumulate sick leave the untaken portion shall transfer to the employee's personal leave bank.

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- (b) An employee having completed three months service to the company, who has been absent from work on account of personal illness or account of injury by accident, neither of which is due to the employee's own serious and wilful misconduct, may claim to be reimbursed any accumulated sick leave for these absences.
- (c) An employee with sick leave accumulated prior to this agreement coming into effect, may elect to transfer such leave to the employee's personal leave bank provided that twenty days' sick leave remain.
- 35.2 Sick leave as acknowledged in section 34 Absenteeism Minimisation is a cost burden to the organisation. A dedicated sick leave card will be submitted to substantiate each request for leave.
- 35.3 An employee who leaves voluntarily after completing four years of service will be paid a cash bonus representing the value of sick leave not taken calculated at the ordinary rate of pay at termination.
- 35.4 An incentive system to encourage employees to use other means of absence (time in lieu, accumulated hours, extended working hours, etc) will apply from December 31, 1995.
- 35.5 Sick leave will share the same common calculation date. (December 31st each year). Individual employee's accruals will be adjusted accordingly.
- 35.6 Sick leave days that occur before or after public holidays, annual leave or long roster weekends will need to be supported by appropriate documentation upon request by the company.
- 35.7 The onus of proof of being sick on the day in question lies with the employee. Any portion of sick leave taken will be deducted from the period of sick leave allowed or accumulated.
- 35.8 In the event of an employee dying, the employer shall pay to the deceased employee's estate the monetary value of all entitlements standing to the employee's credit including untaken sick leave.
- 35.9 Sick leave coverage will be arranged to minimise where possible both disruptions and costs. To this end mutual arrangements may be entered into by various teams to cover their absences.
- 35.10 Any period of paid sick leave taken shall be deducted from the period of leave accrued.
- 35.11 Any sick days taken in the form of more than two consecutive days (2 days plus) will need to be supported by a doctor's certificate.

36. LONG SERVICE LEAVE

Long service will apply and be taken in accordance with the Long Service Leave Act 1955 and the Long Service Leave (Metalliferous Mining Industry) Act 1963.

37. LEAVE IN LIEU

Leave in lieu of entitlement to certain payment is agreed as a further flexibility factor. Leave in lieu of pay is in addition to any other type of leave. It is time away from work - without losing pay - over a period which would otherwise be a work period. Prior notification of leave in lieu is seven working days.

38. BEREAVEMENT LEAVE

- An employee shall on the death of a wife, husband, defacto wife, defacto husband, father, mother, father-in-law, mother-in-law, grandparent, child, step-child, brother or sister, be entitled on notice, for the purpose of making arrangements for and/or attending the funeral, to leave up to and including the day of the funeral of such relation and such leave shall be without deduction of pay for a period not exceeding the number of hours worked by the employee in two ordinary days work. The employee to the satisfaction of Australian Cement shall furnish proof of such death. Provided, however, that this clause shall have no operation while the period of entitlement to leave under it coincides with any other period of entitlement to leave.
- 38.2 The provisions of subclause 38.1 of this clause shall apply at ordinary rate of pay for employees who normally receive the 20th shift.
- 38.3 Each case of bereavement will be dealt with on its merits by the employer and should an employee require further consideration than that provided for in subclause 38.1 application should be made to the relevant manager.

39. FAMILY LEAVE

Family leave is to apply to employees who apply for and meet the required criteria. This agreement is structured to support parental and adoption leave.

An employee may elect with the consent of the employer to take unpaid leave for the purpose of providing care to a family member who is ill.

Without in any way limiting employees rights under this agreement an employee may utilise these following provisions

- a) Sick leave consistent with clause 35.9.
- b) Annual leave consistent with clause 32.6.
- c) Time off in lieu of payment for overtime consistent with clauses 26, 27, and 37.
- d) Make up time consistent with clause 27.

40. JURY SERVICE

When an employee is required to attend for jury service:

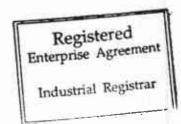
- a) during their ordinary working hours, or
- b) Immediately following an ordinary night shift or immediately preceding an ordinary afternoon shift on which the employee is rostered to work and, as a result of attending for jury service, is not reasonably able to report for work on that shift or afternoon shift as the case may be;

They shall be reimbursed by Australian Cement an amount equal to the difference between the amount paid in respect of their attendance for such jury service and the amount of wage they would have received had they not been on jury service.

An employee shall notify Australian Cement as soon as possible of the date upon which he/she is required to attend for jury service. Further the employee shall give proof of this attendance, the duration of such attendance and the amount received in respect of such jury service.

41. DISCRETIONARY LEAVE

Under certain hardship or compassionate circumstances departmental managers can authorise leave of absence for employees upon request. This form of leave is available if all other forms of leave are exhausted and emergencies arise. The first contact is to be the supervisor or the Human Resources Department. (An example may be advancing the accrued portion of annual leave prior to entitlement date).



42. LEAVE WITHOUT PAY

Leave without pay may be available under limiting circumstances when all other leave entitlements are exhausted. Leave without pay will only be authorised with advance notice and discussion. Under no circumstances will leave without pay be taken to preserve current entitlements.

43. HOLIDAYS (PUBLIC) SATURDAY, SUNDAY AND HOLIDAY RATES

43.1 The days on which:

New Years Day
Australia Day
Good Friday
Easter Saturday
Easter Monday
Anzac Day
Queens Birthday
Eight Hour day
Christmas Day
Boxing Day



are observed and special days appointed by proclamation as public holidays for NSW shall be holidays.

In addition to the above another day shall be granted each year to be taken as a picnic day on a mutually agreed date.

- 43.2 It is agreed that Christmas day will (irrespective of Gazetted alternatives) always stand alone as a dedicated day and will be paid accordingly when worked.
- 43.3 An employee not required to work on a holiday shall be paid at their ordinary rate for such holiday. This payment does not apply to:
 - a) a shift worker who is rostered on for duty or a holiday and fails to report;
 - b) employees absent without leave or reasonable excuse on the working day preceding or the working day succeeding a holiday.
- 43.4 Provided that in the case of other than continuous shift employees where a rostered day falls on a public holiday the rostered day off shall be

taken on the ordinary working day immediately preceding or succeeding the holiday as the case may be.

- Where an employee is absent from their employment on the working day before or the working day after either a public holiday or a rostered day off that immediately precedes or succeeds a public holiday without reasonable excuse or without the consent of the employer, the employee shall not be entitled to payment for such holiday.
- 43.6 Where appropriate, group arrangements such as the flexibility agreement that applies within the maintenance team may be struck. These agreements are to enhance the flexibilities of both parties and may be varied by mutual consent.
- 43.7 Time worked on rostered shifts by shift workers on Saturdays shall be paid for at the rate of time and one half.

Time worked on Sundays shall be paid for at double the ordinary rate of pay.

A wages employee required to work overtime on a Saturday, Sunday, or public holiday shall be given a minimum of four hours work or paid for four hours at the appropriate rate.

> Registered Enterprise Agreement Industrial Registrar

Enterprise Agreement

Industrial Registrar

Part F - OTHER CONDITIONS

44. JOB SECURITY

Australian Cement Kandos guarantees for the term of this agreement that no retrenchments of permanent employees will occur because of improved efficiency and flexibility. Natural attrition or a reduction of contractors/casuals would be used as an interim measure.

Australian Cement Kandos appreciates that people are its most important asset. It recognises that its past and future success has been and will continue to be directly related to the performance of its people at all levels. Our aim is to increase productivity and employment opportunities and job security. The parties to this agreement recognise this and acknowledge the need to continually improve.

Australian Cement cannot predict circumstances such as loss of market share, which may effect operations, and in this event the company will give as much notice as possible under the circumstances.

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45. CONTRACT OF EMPLOYMENT

- 45.1 Until changed by majority agreement, employment shall be on a weekly basis.
- **45.2** Employment of employees for the first three months of service shall be from day to day at the weekly rate fixed determinable at a weeks notice.
- 45.3 Employees shall perform such work as Australian Cement shall from time to time reasonably require and an employee not attending for or not performing his/her duty shall, except as provided under the sick leave or other leave flexibility clauses, lose pay for the actual time of such non-attendance or non-performance.
- 45.4 Subject as aforesaid employment shall be terminated by a week's notice on either side, given at any time during the week, or by the payment or forfeiture of a week's wages, as the case may be.
- 45.5 This clause shall not affect the right of Australian Cement to deduct payment for any day or portion thereof during which the employee is stood down by Australian Cement as the result of refusal of duty, malingering, inefficiency, neglect of duty or misconduct on the part of the employee or to deduct payment for any day during which the employee cannot be employed usefully because of any strike or through any breakdown of machinery or due to any cause for which Australian Cement cannot reasonably be held responsible.

- 45.6 This clause shall not affect the right of Australian Cement to dismiss an employee without notice for refusal of duty, malingering, inefficiency, neglect of duty or misconduct and in such cases wages shall be payable up to the time of dismissal only.
- 45.7 An employee, upon resigning from his employment, shall be paid or shall have forwarded to him, by post, all wages due to him not later than the first office working day next following the day on which his resignation takes effect.
- 45.8 Notwithstanding the provisions of sub clauses (1), (2) and (4) of this clause, where, on account of the introduction or proposed introduction by Australian Cement of mechanisation or technological changes in the industry in which he is engaged, Australian Cement terminated the employment of an employee who has been employed by it for the preceding twelve months, the company shall give the employee three months' notice of the termination of his employment; provided that, if it fails to give notice in full:
 - a) Australian Cement shall pay the employee at the rate specified for the employee's ordinary classification in clause 18, rates of pay, for a period equal to the difference between three months and the period of the notice given; and
 - b) the period of notice required by the sub clause to be given shall be deemed to be service within Australian Cement for the purpose of the Long Service Leave Act, 1955, the Long Service Leave (Metalliferous Mining Industry) Act, 1963, the Annual Holidays Act, 1944, or any Act amending or replacing any of these Acts; and provides further that the rights of Australian Cement to stand down an employee in accordance with sub clause (5), of this clause or summarily to dismiss an employee for the reasons specified in sub clause (6), of this clause, shall not be prejudiced by the fact that the employee has been given notice pursuant to this sub clause of the termination of his employment.
- Where Australian Cement proposes to introduce into the industry mechanisation or technological changes which will result in one or more employees becoming redundant it shall give notification in accordance with this sub clause at least six months before the introduction of such mechanisation or technological changes, and, if it is not practicable for Australian Cement to give such notification at least six months before such introduction then it shall give the notification as early as it is practicable for it to give them.

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Enterprise Agreement

The notifications to be given in accordance with this sub clause are notifications in writing to the Industrial Registrar, the Director of the Vocational Guidance Bureau, the Director of Technical and Further Education and the Secretary of the appropriate Union referred to in clause 1, Preference of Employment, of the number of persons who may become redundant on account of the introduction or proposed introduction by Australian Cement of mechanisation or technological changes in the Industry and of their occupations and of the approximate date when their employment is likely to terminate on account of each introduction.

46. CONTRACTORS (USE OF)

Due to the location and nature of our heavy industry it is recognised that it is often necessary to engage contractors to supplement the internal resources of Australian Cement Kandos. Some works are best carried out by contractors who have specific expertise. Australian Cement will always seek to use its own employees to work alongside contractors with the view of acquiring experience in these areas of expertise.

Australian Cement Kandos maintains the right to use contractor labour as and when required however the use of contractors will be done with due regard to agreed arrangements and communications will be maintained as is currently the case.

47. PAYMENT OF WAGES

As is current all employees will be paid their wages by direct transfer into a bank account nominated by the employee. An adjustment amount will be paid to employees once a year to meet costs employees incur by having their wages paid directly into their account.

Australian Cement shall issue to each employee a full account of all the relevant transactions relevant to that pay period.

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48. PROBATION PERIOD

Unless mutually agreed arrangements are entered into, it is agreed to maintain a three months probation period for new employees.

49. OCCUPATIONAL SUPERANNUATION

All current and future employees should be members of the Australian Cement Employees Superannuation Fund (the "Fund"), for which the benefits currently exceed the requirements of the Superannuation Guarantee legislation.

Enterprise Agreement

The Company undertakes to adjust the Fund as necessary to comply with legislative requirements as they arise.

50. FIRST LINE MAINTENANCE

The current First Line Maintenance Agreement and the flexibility's contained therein will be maintained.

Any expansion on the current arrangements will be through mutual agreement with a view to positively influencing the KPI's and not disadvantaging maintenance employees.

51. PROTECTIVE CLOTHING

It is agreed that the provision of protective clothing or equipment has bipartisan responsibilities. Australian Cement is to provide the necessary quantity and quality of items required and the employee is responsible for the correct use and maintenance of each item. The rate and quantity of issue will vary from time to time and will be reviewed periodically.

All equipment issued in accordance with this clause shall remain the property of the employer and shall if requested by the employer be returned on demand and in the event of termination of employment.

Australian Cement will provide employees with replacement items as necessary upon damage or being worn out and return of the worn out article.

52. TRAINING/TRAVEL

- 52.1 Training firstly must be relevant to the needs of Australian Cement and consistent with the overall plans of Kandos and the industry.
- 52.2 Individual training plans are developed consultatively between the Workplace Consultative Committee, the relevant supervisors and ultimately the department manager. The department managers must approve the final training plan.
- 52.3 All training must meet the requirements of the industry and the company and individual will benefit from it.
- **52.4** Training will be conducted on or off the job.

Registered Enterprise Agreement

- 52.5 Employees attending training during ordinary working hours will not suffer loss of pay. Arrangements will be struck during the life of this agreement to accommodate the circumstances where employees attend for training outside of their normal working hours.
- 52.6 Any costs associated with standard fees for prescribed courses and prescribed text books and costs associated with travelling for the purpose of attending approved training courses will be reimbursed by Australian Cement subject to the following:
 - a) Employees must produce evidence of expenditure in the form of original receipts (as per Petty Cash Guidelines).
 - b) Travel costs will be reimbursed at the relevant rate for the vehicle owner only irrespective of the number of passengers.
 - c) In the event of a company vehicle being made available for training travel the normal corporate guidelines will apply.
 - d) Employees must produce a report of satisfactory progress or completion before costs are reimbursed.
- 52.7 It is agreed by the parties that within their classifications employees at all levels in possession of various skills will pass these on to other employees to assist them acquire knowledge so they may advance.

53. TEAM BASED STRUCTURES

It is essential that teamwork be recognised as part of everyone's jobs and team skills will be incorporated into every level. This will ensure that demarcation and misunderstandings are eliminated as impediments to customer focussed service.

The company in conjunction with the Workplace Consultative Committee will also develop a competency based working framework. This framework will ensure that all employees are given the necessary skills to develop within a team-based structure and employees are formally recognised for their contributions.

54. RECRUITMENT PROCEDURE

The system of recruiting new personnel will be through a panel consisting of members from various levels involved in the relevant department.

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55. EMPLOYMENT PROCEDURE

Employment procedures will be as per those found in the Employment and Recruitment policy.

56. TERMINATION OF EMPLOYMENT

An employee may only be terminated if the policy guidelines annexed are carried out in a thorough and fair fashion and investigated properly.

Examples of misconduct and improper behaviour such as:

- theft;
- striking another employee;
- fabrication of records;
- consumption of or being under the influence of alcohol or non prescribed drugs during working hours;
- gross insubordination;
- other conduct or actions, which are so serious as to reflect a rejection of the employment, contract.

Will when proven, render an employee liable to termination.

56.2 PERFORMANCE BASED TERMINATION

Will take place following failure to rectify poor performance despite counselling and explanations of what is required and two written warnings. The final written warning will provide the employee with one days paid leave to consider his/her position. In some cases the company may deem that the performance issue is so severe as to warrant the issuing of a final warning without previous discussions taking place.

56.3 CONSULTATION

While Australian Cement reserves the right to terminate any employee on the basis of the above, it will ensure that normal communication ethics will be observed.

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56.4 TERMINATION NOTICE

In all cases except gross misconduct, the notice of termination of employment will be in accordance with the Workplace Relations Act 1996. Payment in lieu of notice will be given where appropriate. Australian Cement retains the right to withhold a maximum of one week's pay in cases where the employee does not provide adequate notice in other than pressing personal circumstances.

56.5 CERTIFICATION

Australian Cement will complete and supply a severance certificate upon termination.

Registered

57. DISCIPLINARY PROCEDURE

Industrial Registrar

Enterprise Agreement

A well-documented and fair procedure has been developed to to to standard or inappropriate behaviour. Correction is the main objective and the process is supported by step by step documents appended to this agreement.

Australian Cement and the employees shall adhere to the following procedure.

- 57.1 Employees who exhibit unsatisfactory performance or behaviour shall be counselled so that they understand the standards expected of them and will be offered assistance and guidance in achieving those standards.
- 57.2 Confidential written records of such counselling will be made. The employee will be shown the written record and will have the opportunity of commenting on its contents whether in writing or orally. The record will only be placed on the employee's file where the employee has been given the opportunity of responding to the record.
- 57.3 Employees whose performance or behaviour is unsatisfactory will be given adequate time to demonstrate a willingness to improve. If, at the end of this period, the employee shows no willingness to improve in the opinion of Australian Cement, then disciplinary action up to and including dismissal may be taken.
- 57.4 At all stages of the disciplinary process the employee will be entitled to have another available employee present as a witness if desired. The Union representative will be informed providing employee confidentiality is not breached.
- 57.5 Nothing in the procedure shall limit the right of Australian Cement to summarily dismiss an employee for serious and wilful misconduct.

58. SEXUAL HARASSMENT

All parties recognise that sexual harassment is unlawful and will not be tolerated. The company will ensure that employees be allowed to work in an environment free from all forms of sexual harassment including sexual overtones.

Sexual harassment will not be allowed to effect an employees work performance.

59. EQUAL OPPORTUNITY

Australian Cement will not discriminate on the basis of sex, sexual preference, marital status, pregnancy, family responsibilities, age, race, religion, colour, national origin, impairment, trade union activity, political conviction or any other ground outlawed by relevant legislation.

Entry into the organisation, selection for specific jobs, career progression and termination of employment will be determined by personal merit and criteria related to the effective performance of the job.

60. AFFIRMATIVE ACTION

Australian Cement has a strong policy of affirmative action to ensure equal employment opportunity. Australian Cement and its employees will jointly monitor this policy and will combine their efforts to effect any necessary changes that may occur from time to time.

61. ABANDONMENT OF EMPLOYMENT

An employee is deemed to have abandoned his/her employment if a period of absence has lapsed for three continuous days without the consent of Australian Cement or without notifying it. The employment contract is terminated.

62 RETIREMENT

During the life of the agreement the parties will devise a retirement position that suits the needs of everyone concerned.

Registered Enterprise Agreement Industrial Registrar

63. COMPANY CONSOLIDATION

As part of an ongoing corporate restructuring of the Australian Cement Group of companies, employees currently employed by Australian Cement Limited may be required to transfer to Australian Cement Holdings Pty Limited. The parties to this agreement agree that as a result of any such transfer, the transferred employees will not have any entitlement to redundancy payments under this agreement (to severance benefits or like compensation). The continuity of the employees' contracts of employment will be taken not to have been broken by a transfer to Australian Cement Holdings Pty Ltd, so that there will be continuity of service which will be recognised by Australian Cement Holdings Pty Ltd.

64. REDUNDANCIES

64.1 APPLICATION

This clause shall apply to all persons engaged on a permanent basis by Australian Cement Limited at Kandos under this Enterprise Development Agreement.

64.2 DEFINITION

Redundancy is defined as "a job becomes redundant when the company no longer desires to have it performed by anybody". Redundancy may be caused by:

- a) technological change;
- b) company merger;
- c) take-over or reconstruction of the business; (except reorganisation as described in clause 63.
- d) economic recession.

In accordance with clause 63 of this agreement, if employees of Australian Cement Limited are transferred to Australian Cement Holdings Pty Limited, this will not constitute redundancy and clause 64 will not apply.

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64.3 NATURAL ATTRITION

In the event of a position becoming vacant it will not be filled automatically but will be subject to a joint review.

Enterprise Agreement

64.4 DISCUSSIONS

- a) Where Australian Cement has made a definite decision that it 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, it shall hold discussion with those affected and their representatives.
- b) The discussions shall take place as soon as is practicable after Australian Cement 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 terminations on the employees concerned.
- c) For the purpose of the discussion Australian Cement shall, as soon as practicable, provide in writing to the employees concerned and, if applicable their Union or Unions, 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 Australian Cement shall not be required to disclose confidential information the disclosure of which would be inimical to the company's interests.

d) Selection of Redundancies

Australian Cement will select employees to be retrenched by a system, which combines voluntary retrenchment, performance, attendance, skill factors and length of service. The methods used to select appropriate employees will be determined by the company after full consultation between the appropriate parties. However, Australian Cement reserves the right to determine whether a voluntary retrenchment shall be allowed.

e) Notice of Termination

Australian Cement will provide notice of termination of not less than 4 weeks and if such notice is not given then equivalent payment will be made.

64.5 BASE PROVISIONS

a) 1-30 years of service = 3 weeks pay per year of service.

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31 and over years of service = 3.5 weeks pay per year of service.

A "weeks pay" is defined as the average hourly rate based on a 38 hour week which includes shift allowance for shift workers.

- b) An additional one "weeks" pay will be granted to employees over the age of 45 years at the time of termination.
- c) Employees who are members of the Australian Cement Employees Superannuation Fund will receive their superannuation entitlements based on the rules of the fund and this will be administered by the fund trustees on an individual basis.
- d) The above provisions excluding superannuation shall be limited to what the employee would have received had the employee remained in employment to normal retirement age.

64.6 ABSENCE FROM WORK TO SEEK ALTERNATIVE EMPLOYMENT

One days-paid leave will be granted for the purpose of seeking alternative employment.

64.7 LEAVE

All such redundant employees shall be paid the full value of all of their accrued leave.

64.8 ANNUAL LEAVE

All accrued annual leave shall be paid.

64.9 LONG SERVICE LEAVE

Long service leave shall be paid according to the Long Service Leave Act 1955 as amended and Long Service Leave (Metalliferous Mining Industry) Act, 1963 as amended for employees employed at the Quarry.

64.10 ITEMISED ACCOUNT

Redundant employees shall be given an itemised statement of all termination payments.

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64.11 COUNSELLING

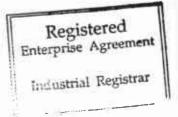
At the request of the employee, Australian Cement shall make available counselling services provided by the:

Commonwealth Employment Service Department of Social Security

Due to the complexity of current taxation legislation on severance benefits eligible employees will be granted up to \$150.00 and one days special leave for the purpose of seeking and obtaining specialist financial advise from a source of their own choice.

64.12 CERTIFICATE OF SERVICE

All redundant employees will be supplied with a Certificate of Service and an Employment Separation Certificate.



65. OTHER EMPLOYMENT AND CONFLICT OF INTEREST

The employees shall not for the duration of this agreement set himself/herself up or engage in private business or undertake other employment in direct or indirect competition with Australian Cement using knowledge or materials gained during the course of employment with Australian Cement. However the employees may undertake other employment so long as such employment is in his/her own time and does not conflict with their employment with Australian Cement.

66. CONFIDENTIALITY

As part of normal duties the employee will obtain or have access to, confidential information concerning Australian Cement. Under no circumstances is any use to be made of this information except for the purposes directly related to furthering the business objectives of the company.

At all times must the confidentiality clause of the "Application for Employment" be adhered to.

67. DISPUTE/GRIEVANCE PROCEDURE

These procedures provide a framework for questions, disputes or difficulties from either one employee or a group of employee arising at the workplace to be settled as quickly and as effectively as possible. These procedures must be followed by all parties and it is agreed observance of this will avoid costly losses to either party.

Managers and supervisors notified of a dispute must discuss the matter with the necessary people and investigate the matter thoroughly. Where possible employee to employee disputes should be encouraged to reach a genuine solution between themselves.

Employees are responsible for raising their concerns or grievances at the earliest possible stage and for providing as much information as possible to assist in an effective resolution.

Employees may withdraw their grievance at any stage during the procedure. Confidentiality must be maintained at all stages during the procedures.

Normal work will continue while these procedures are being followed, unless there is a legitimate safety problem.

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67.1 STEP 1 - Notifying The Immediate Supervisor

When a dispute or grievance arises the employee(s) concerned will notify their immediate supervisor (in writing or otherwise) of the substance of the matter.

The supervisor will arrange a meeting to discuss the matter with the employee(s). This meeting should be held within two working days (maximum) or at a time acceptable to the employee(s). At this meeting the employee(s) will provide details of the matter and any suggested solutions.

All efforts should be made to resolve the matter at this step as the best solution is often found closest to the source.

67.2 STEP 2 - Department Supervisor/Human Resources

If the matter is not resolved as a result of this meeting a further meeting will be arranged with the employee(s) the immediate supervisor and the department supervisor. The employee may request a delegate or a Workplace Consultative Committee representative or a person of their choice to attend.

This meeting must take place within two working days of the completion of step one (allowance to be made for shift rostering, absences, etc).

67.3 STEP 3 - Local Management

If the matter is still not resolved the Human Resources Manager will discuss the issue with the senior line manager or his representative. At this stage a response will be generated (in writing or otherwise) to the dispute or grievance, outlining the action taken and reasons why the proposed solutions were or were not implemented. This response should be given directly to the original employee(s) concerned, should be within 3 working days (maximum) of the commencement of this step.

67.4 STEP 4 - Industrial Relations Commission of NSW

If the matter is still not resolved at the conclusion of Step 4 either party may refer the matter to the Industrial Relations Commission of NSW. Matters may only be referred to the Industrial Commission when all steps in these procedures have been exhausted.

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When a party decides to notify the Industrial Commission under this step they must give the other party at least three-(3) working days notice of their intention of notify.

68. HEALTH AND SAFETY

Australian Cement and its employees will comply with the NSW Occupational Health and Safety Act (1983) and any amendment thereof and with regulations made under the Act.

Quarry employees and management will combine resources to achieve safe systems and conditions as prescribed in the Quarry General Rule.

Employees will co-operate with Australian Cement in its endeavours to comply with its policy statements.

Employees shall ensure all work is performed in a safe and responsible manner with particular attention to housekeeping.

Australian Cement will provide the necessary resources and support with rehabilitation providers and doctors to assist injured employees to return to pre injury duties.

An employee who is supplied with protective equipment or material is required to wear or use it in such a way as to achieve the purpose for which it is supplied.

Employees may from time to time be required to undertake a health or physical assessment to ensure that the work environment will not adversely affect their well being.

All work related injuries must be reported to the appropriate supervisor/manager and noted by same. Failure to report accidents may jeopardise payment of accident compensation should this subsequently be claimed.

A series of positive performance indicators will be developed via the Occupational Health and Safety Committee to monitor and where possible improve the company's performance.

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69. PERMIT TO WORK SYSTEM

The parties acknowledge that safe working systems are an achieving safe work practices and the targeted safety KPI. To this end the management and employees will co-operate to produce a permit to work system and implement it during the life of this Agreement.

Enterprise Agreement

70. ACCIDENT PAY

- 70.1 An employee shall be entitled to payment of accident pay where he/she receives an injury for which compensation is payable to the employee pursuant to the provisions of the Workers' Compensation Act, 1987.
- 70.2 Accident pay means the payment of an amount being the difference between the weekly amount of compensation paid to the employee pursuant to the Workers Compensation Act, 1987, as amended, and the employee's ordinary rate of pay for thirty eight hours, or where the incapacity is for a lesser period than one week, the difference between the amount of compensation and the ordinary rate for that period.
- 70.3 Accident pay shall not apply to any incapacity occurring during the first two weeks of employment unless such incapacity occurring at the expiration of the first two weeks of employment in which case accident pay shall only be payable in respect of that part of such period of incapacity which extends beyond the first two weeks of employment.
- 70.4 Australian Cement shall pay, or cause to be paid accident pay as defined in (70.2) and (70.3) above, during the incapacity of the employee arising from any one injury for a total of fifty two weeks whether the incapacity is in one continuous period or not.
- 70.5 The termination of the employee's employment shall in no way effect the liability of accident pay as provided in the sub clause.
- 70.6 In the event of an employee receiving a lump sum in redemption of weekly payment under the said Act, the liability of Australian Cement for accident pay (for which weekly payments have been recovered) shall cease from the date of such redemption.
- 70.7 Where the employee recovers damages from a third party in respect of the said incapacity independently of the said Act, he/she shall be liable to repay to Australian Cement the amount of accident pay which he/she has received under this clause and the liability of Australian Cement for accident pay shall cease.



Part G - DECLARATION AND SIGNATORIES

71. DECLARATION

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

72. NO EXTRA CLAIMS

During the term of this Agreement the parties agree not to pursue any further claims in relation to matters covered by this Agreement.

73. FUTURE NEGOTIATIONS

The parties agree to commence negotiations on a new Agreement no later than 6 months prior to the expiry of this agreement.

74. SIGNATORIES

Signed for and on behalf of Australian Cem	ent
V. Dosla	29/4/98
Works Manager - Australian Cement	Date

Signed for and on behalf of the:

R. K. Mollie J.

The Australian Workers', Union New South Wales.

Automotive, Food Metals, Engineering, Printing & Kindred Industries Union, New South Wales Branch.

Electrical Trades Union of Australia, New South Wales Branch

Workplace Consultative Committee

Registered Enterprise Agreement

Industrial Registrar

Part H - APPENDIX

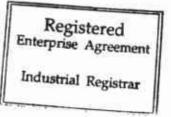
Appendix 1

The following are reference codes and titles of local agreements.

75. INDEX - LOCAL AGREEMENTS

Document Number	Document Title	Number of Pages
1	Contractors - Australian Cement Limited Kandos W Contractors Agreement	orks 8
2	Restructuring Implementation Agreement Dated - 7 September 1989	14
3	Commissioner G S Manuel Document Dated - 29 October 1970	1
4	Kerry Little Agreement Dated - 30 November 1984	1
5	Front Line Maintenance Agreement Dated - 19 December 1991	2
6	Ropeway Gantry Maintenance Agreement Dated - 23 February 1988	1
7	Spares Agreement Dated - 22 September 1989 and 13 November 1990	2
8	Mobile Equipment Agreement Dated - 9 December 1994	2
9	ACL Maintenance Public Holiday Agreement Dated - 14 January 1994	Registered nterprise Agreement
10	Confined Space Document	Industrial Registrar
11	Agreement on Jogger Type Safety Shoes Dated - 12 January 1988	1
12	State Wage Decision - Second Increase Agreement Dated - ?	7

Document Number	Document Title	14)	Number of Pages
13	Workcover Document Dated - 26 March 1990		
14	2nd Tier Restructuring & Efficiency Agreement Dated - 28 April 1987		10
15	Position of KM3 - Machine Shop		1
16	Call Outs and Overtime Dated - 20 February 1996		3
17	Tradesmen Call Out		1
18	Weekend Call Out System Dated - 1983		1
19	Local Conditions Maintenance Multiple Call Outs Dated - February 1977		1
20	Machine Shop Agreement on Employee Numbers Dated - 25 May 1992		1
21	RLDO Call Out System Dated - 25 October 1984		1
22	Overtime Meal Document Dated - 12 June 1973		1
23	General Agreements Dated - 20 February 1996		2



76. INTEGRATED EXTRA RATES

Integrated into the Site Allowance (previously known as the Disability Allowance) are the following rates:

- 1. Roof Cleaning rate.
- 2. Poking and cleaning and preheater.
- 3. Working inside an Electrostatic Precipitator.
- 4. Use of explosive power tools.
- 5. Refractory rate.
- 6. Epoxy use.
- 7. Applying epoxy in buildings when air conditioning not working.
- 8. Employees working in close proximity to above.
- 9. Spray painting.
- 10. Chokage rate.
- 11. Quarry truck towing 2nd trailer.
- 12. Repair testing complex/intricate circuitry.
- 13. Inside gas or water space of boiler.
- 14. Bag loading piecework rate.
- 15. Wet money.
- 16. Working inside mills/boiler within 2 hours of shutdown.
- 17. Working inside kilns/precips within 12 hours of shutdown.
- 18. Working inside silos.

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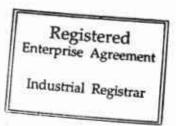
77. HARASSMENT

Harassment in the workplace occurs when a person or persons aim to disadvantage another person or persons. This can be seen as sexual, racial or by just depriving a person of their right to work free of stressful and unwelcome conduct initiated by another. It is obvious that harassment of any kind promotes will in the workplace.

All employees should be aware that harassment of any description is a disciplinary matter and will be treated accordingly.

Responsibilities of Supervisors and Managers

- 1. To ensure that all employees are treated with diplomacy and respect at all times by all others.
- 2. To appropriately discipline any employee harassing another.
- To report to the Human Resources Department any situation where an employee has considered himself or herself harassed which requires investigation.
- 4. To set up and support the selection and training of a female coordinator to enable female employees to feel free to aim a complaint.
- 5. To attempt to resolve these issues informally at first seeking an amicable solution.
- 6. Once a formal complaint has been lodged to keep written records of facts and investigations to enable a conclusion to be drawn.
- 7. To treat all parties involved in a fair and equitable fashion with no gender based bias.



Consistent with the aims in 56 (page 70) the following guidelines will apply at all times.

78. TERMINATION GUIDELINES

- 1. The guidelines provide a minimum period of Notice of Termination except in the case of serious misconduct. Details are laid out in point .
- 2. Termination must only be for a valid reason.
- 3. Where the dismissal relates to an employee's conduct or performance, the employee must have an opportunity to respond to any allegations about his or her performance relative to the dismissal.
- 4. These guidelines do not allow an employee to be terminated for a <u>prohibited</u> reason such as:
 - a) A temporary absence due to illness or injury ie authorised leave. We can however require the employee to produce a Medical Certificate that states the nature of the illness and the expected recovery time;
 - b) Union membership or participation in union activities outside working hours or with the employers consent during working hours;
 - c) Union non membership;
 - d) Representing employees;
 - e) Filing a complaint against the employer;
 - f) Race, colour, sex, sexual preference, age, physical or mental disability, marital status, family responsibilities, pregnancy, religion, political opinion, national extraction or social origin or;
 - g) Absence on maternity or parental leaves.

There are however a wide variety of valid reasons for termination such as:

a) Incapacity to do the job;

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b) Improper behaviour;

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- c) Agreement misconduct provisions as per Clause 45 (Malingering, refusal of duty, inefficiency, neglect, etc);

d) Redundancy;

TERMINATION PROCESS

Prior to the termination Australian Cement will formally counsel the employee with relation to the performance problems that have occurred and record the details.

- The Supervisor will discuss with the employee the breach in behaviour or poor performance and the employee will be given the opportunity to reply and a First Warning will be recorded. (A Record of Disciplinary Interview or RDI will be filled out).
- If a second warning is required, the employee will again be interviewed by the Supervisor and the Section Manager. At this stage the employee should be given the option of having another employee or the relevant delegate present. During this warning the employee will be informed of the consequences (termination) of a further breach or continued poor performance. (A second RDI will be filled out along with the Written Warning). As with the previous stage a review period will be specified and must be followed through.
- During the Final Warning stage the employee must again be given the
 opportunity to respond to the allegations relating to the proposed termination
 (accompanied by another employee or delegate). The employee should be
 given (irrespective of circumstances) one days paid "Decision Making" leave
 upon their return they must make an explicit commitment not to repeat the
 offence or any other offence that requires disciplinary action.
- It is vital to document all counselling sessions and interviews and warnings that have taken place in the Discipline Log (copy to the Human Resources Manager) and the process of investigations must also be recorded.
- Written Warnings should:
 - State the problem
 - Identify the rule that has been broken
 - · Note the consequences of the offence
 - State the corrective actions required
 - Warn of intended actions should the employee's behaviour remain uncorrected



Refer to previous oral warnings - their dates.

DISCI	PLINE FORMAT			
INFORM	MAL TRANSACTIONS			
Initi	al Positive Contact			
C	Coaching Session			
FORMAL DISC	IPLINARY TRANSACTIONS			
Level 1	Oral Reminder			
Level 2	Written Reminder			
Level 3	Decision Making Leave			
RESOLUTION				
	OR			
TERMINATION				

NOTICE PERIODS

When a decision is made to terminate the employee (except serious misconduct) the following notice periods will apply:

SERVICE	NOTICE PERIOD	
Less than 1 year	1 week	
1 to 3 years	2 weeks	
3 to 5 years	3 weeks	
more than 5 years	4 weeks	

If the employee is over 45 years and has completed 2 years service then one extra week will apply.



RECORD OF DISCIPLINARY INTERVIEW

Employee's Name:	***************************************	Clock No:	
Department:			
Counselling	First Written Warning were interviewed with rega	Final Written Warning rd to:	***
Your response to the	complaints outlined above	was:	***
	action taken with regard to	this issue includes:	***
Continuation of this a employment. The improvements re	action or failure to improve	may/will lead to termination of you	ur
Your conduct will be	1	to assess whether the	
	warning will be issued and a	a copy placed on your personal file	Piston :
Employee Signature			e Agreement
Company Officer co	nducting interview:	∬ ^{aidustria}	gistered e Agreement
Witness/s:	Name	Signature	
	Name	Signature	***

FIRST WRITTEN WARNING

Employee's Name:	•	************	••••••	***************************************	•••••
Employee's Position:	************	************		*************************	••••••
Department:					
Date:					
(3)					
This is your first official warning for	·	************			
•					conduct or
performance)					
This warning follows the counsellin in relation to this issue.	g/discipl	inary int	ervie	w held on (D	ate)
Repetition of this action or failure employment.	to impro	ve may	resul	t in the term	ination of your
Your conduct will be reviewed on (Date)				
This warning will be placed on you	r persona	l file.			
Signed					Registered Enterprise Agreement
					Industrial Registrar
(T TLE)			(I	EMPLOYEE)	

FINAL WRITTEN WARNING

Employee's Name:	
Employee's Position:	
Department:	
Date:	
This is your final written warning for (performance).	specify details of unacceptable conduct or
This warning follows the counselling/disci written warning on (date) given in relation to	- •
Repetition of this action or failure to improemployment.	ve <u>will</u> result in the termination of your
Your conduct will be reviewed on (date). This file.	s warning will be placed on your personal
Signed	
	Registered Enterprise Agreement Industrial Registrar
(Title)	(Employee)
As a second	

17 August 1995

Ref: F103:Forms:sc

(Employee Name) (Address)

Dear Mr/Mrs/Ms

RE: TERMINATION OF EMPLOYMENT

This is to advise that your employment with this Company will terminate on (Date)

The Company will pay you an amount in lieu of notice in accordance with your entitlements.

Yours faithfully

(Name) (Title)



17 August 1995

Ref: F104:Forms:sc

(Employee Name) (Address)

Dear Mr/Mrs/Ms

TERMINATION OF EMPLOYMENT SERIOUS MISCONDUCT

This is to confirm that your employment with this Company is terminated, without notice as from ______ am/pm on (Date)______ due to your serious misconduct.

Yours faithfully

(Name) (Title)

Registered Enterprise Agreement Industrial Registrar

17 August 1995				
Ref: F105:Forms:sc				
(Employee Name) (Address)				
Dear Mr/Mrs/Ms				
	RE: RE	ASON FOR T	TERMINATION	
This letter is to conf Company in respons				mployment with this
It was reported that were found				you
including an intervi	ew with yo Company	ourself, when your was of the	ou were given the opview that you	ounding this incident, pportunity to explain were attempting to uipment).
As such actions co without notice as of				nent was terminated
Yours faithfully				
				Registered Enterprise Agreement
(Name) (Title)				Industrial Registrar

78. KEY PERFORMANCE INDICATORS

- 1. KPI's are a way of measuring our degree of attainment of preset goals.
- 2. We have identified five Key Performance Indicators, all of which can influence the cost per tonne of cement.

KPI	\$	INFLUENCE	WEIGHTING %	% NECESSARY FOR MAX CREDIT
Plant Availability 1% Increase	550,000	L to H	65	65
Absentee Reduction 50%	160,000	Н	15	15
Injury Reduction 50%	200,000	М	10	10
Electricity & Fuel Cost Reduction 1%	40,000	Н	10	10
Employee Satisfaction	0	Н	0	0

L = Low Influence

M = Medium Influence

H = High Influence

The first column is the KPI, heading itself and the degree of expected improvement.

The second column is the targeted dollar savings.

The third column is the degree of influence that employees can exercise over the KPI.

The fourth column is the weighting that has been given to each section to indicate where resources and effort need to be put.

The fifth column is the percentage that needs to be achieved to obtain the maximum credit.

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