

**REGISTER OF
ENTERPRISE AGREEMENTS**

ENTERPRISE AGREEMENT NO: EA99/310

TITLE: Wella Australia (Somersby NSW) Enterprise Agreement 1999

I.R.C. NO: 99/5572

DATE APPROVED/COMMENCEMENT: 9 November 1999

TERM: 24 months

**NEW AGREEMENT OR
VARIATION:** New

GAZETTAL REFERENCE:

DATE TERMINATED:

NUMBER OF PAGES: 11



COVERAGE/DESCRIPTION OF

EMPLOYEES: Applies to employees of Cosmetic Suppliers Pty Ltd and Cosmetic Products Pty Ltd engaged in the manufacture and distribution of cosmetic products at their Somersby site, at 1 Wella Way, Somersby

PARTIES: Cosmetic Products Pty Ltd -&- Shop Assistants and Warehouse Employees' Federation of Australia, Newcastle and Northern, New South Wales

WELLA AUSTRALIA
(SOMERSBY NSW)
ENTERPRISE AGREEMENT

1999



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2 – TITLE

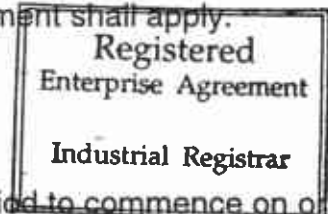
This Agreement shall be known as the "Wella Australia (Somersby NSW) Enterprise Agreement 1999".

3 – AREA, INCIDENCE AND PARTIES BOUND

This Agreement shall be binding upon Cosmetic Suppliers Pty Ltd and Cosmetic Products Pty Ltd (which are two associated companies) ("the Companies"), the Shop Assistants & Warehouse Employees Federation of Australia, Newcastle and Northern, New South Wales ("the Union") and employees of Cosmetic Suppliers Pty Ltd and Cosmetic Products Pty Ltd engaged in the manufacture and distribution of cosmetic products at their Somersby site, at 1 Wella Way, Somersby, and in any of the occupations, industries or callings specified in the Drug Factories (State) Award and the Warehouse Employees Drug (State) Award ("the Parent Awards").

4 – RELATIONSHIP TO PARENT AWARDS

The terms and conditions of the Parent Awards shall apply. However, where there is a conflict between those awards and the terms and conditions of this Agreement, then the terms and conditions of this Agreement shall apply.



5 – DURATION

This Agreement will take effect from the first full pay period to commence on or after the date upon which it is registered in the Industrial Relations Commission of New South Wales and will remain in force for a period of 2 years.

6 – NO EXTRA CLAIMS

The Union and employees bound by this agreement will not pursue any extra claims, award or overaward, for the life of this agreement including increases arising from award variations or decisions of the Commission.

7 – PROBATIONARY PERIOD

For a period of ninety (90) days following the commencement in employment of a full time or part time employee, the employee shall enter into a structured probationary period which shall be monitored each thirty (30) days, as to progress being made and productivity level reached. The employee will be advised in writing of the progress being made, together with any matters which may need to be improved.

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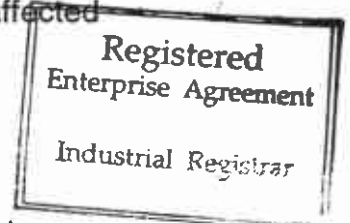
If unsatisfactory progress is reported during the first, second or third month, and, where appropriate, corrective action has been taken, and progress remains unsatisfactory, termination shall follow, with one week's notice being given or payment in lieu thereof. Provided that the employment of an employee shall not be terminated, except for misconduct, whilst an employee is legitimately absent from duty on accrued sick leave.

Notwithstanding the above provisions, the Company and the Union agree, that during the probationary period employment may be terminated, by either employee or employer, with one (1) week's notice or payment in lieu respectively, without penalty.

8 – SPAN OF HOURS

The parties agree the time span of ordinary working hours, excluding shift workers, shall be between 6.00 am and 6.00 pm, Monday to Friday inclusive.

Within the span of hours shown above, the Company shall fix the commencement and finishing times for the various operations, which shall not be changed other than upon seven (7) days notice being given to affected employees in writing.



9 – GRIEVANCE / DISPUTE PROCEDURE

The Company and the Union agree to introduce the following Grievance Procedure to provide for the early resolution of local industrial disputes and grievances.

It is an objective of the Company to provide a pleasant working environment for all employees. In an effort to achieve this, the parties believe it is important that a system is present to allow for swift settlement of industrial issues and grievances.

By adhering to the following procedure, the parties will be promoting a harmonious atmosphere in which to work.

Any issue which involves safety shall be reported directly to the Department Manager / Supervisor, who will either resolve the issue immediately or refer it to the Occupational Health and Safety Committee for further consideration.

Procedure

During the execution of this procedure, up to and including Step 4, the status quo existing immediately prior to the time the industrial / grievance issue arose, will be maintained.

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Step 1

The Employee advises his or her direct Supervisor personally of their concern. The Supervisor will attempt to solve the problem within two (2) days.

Step 2

If the matter is not solved within two days, the Supervisor will bring it to the attention of the Department Manager / Supervisor (as appropriate), and the employee may advise the Union Delegate of the existence of the problem.

Step 3

If the matter is not resolved by the Department Manager / Supervisor within two (2) days of being referred a meeting will be held and attended by the employee, the appropriate delegate, the appropriate Manager, and/or the Employee Relations Manager.

Step 4

If the matter remains unresolved despite these efforts, the Union Delegate and Union Organiser shall meet with the Company.

Step 5

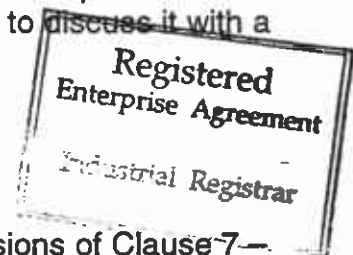
In the event that the matter cannot be resolved at Step 4, either party may notify or refer the dispute to the Industrial Registrar for reference to the Industrial Relations Commission for conciliation or arbitration.

Nothing in this procedure shall preclude an employee from contacting the personnel representative directly, where the particular issue in question is one of a personal / confidential nature, and the employee wishes to discuss it with a member of the Personnel Department.

10 – MEAL ALLOWANCE

The Union agrees to exempt the Company from the provisions of ~~Clause 7~~ – Meal Allowance of the Drug Factories (State) Wages Award, and Clause 11 – Meal Allowances of the Warehouse Employees Drug (State) Award in so far as they refer to the payment of meal allowances prior to the meal break.

In view of the location of the Company's operation and the undesirability of holding large quantities of cash on the premises, it is agreed between the Union and Company that meal allowance will be paid directly into the accounts of employees by Electronic Funds Transfer with wages on the next succeeding pay day.



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The meal allowance payable under this Agreement shall be as per the current allowance.

11 – ROSTERING OF PICNIC DAY

The Company and the Union agree that the Picnic Day normally occurring on the August Bank Holiday will be subject to rostering over the whole year. The roster shall be drawn up and advised to employees in the December of the preceding year.

Provided that the rostered day shall be either a Friday or Monday, and that employees shall not be required to work on the Saturday or Sunday following the Friday and preceding the Monday.

12 – AFTERNOON REST BREAK – PRODUCTION

It is agreed that during this agreement the afternoon rest break may be removed in lieu of finishing ten minutes earlier, providing the employees agree.

13 - ROSTERING OF LUNCH BREAKS

(i) Filling Room

The parties agree that lunch breaks in the filling room may be rostered without the application of penalty rates outlined in Clause 13 (a) (i) and (ii) – Meal Hours of the Drug Factories (State) Award.

Rostering of lunch breaks in this way will be management discretion on an infrequent ad hoc basis.

(ii) Warehouse

The Company and the Union agrees that lunch breaks in the warehouse may be rostered without the application of penalty rates outlined in Clause (10) (b), Warehouse Employees – Drugs (State) Award.

Rostering of lunch breaks in this way will be at management discretion on an infrequent ad hoc basis.

14 – WAGES

A. Production – Filling Room and Compounding Areas

A 3.0% pay increase is to be paid on 1 August 1999 and a further 3.0% paid on 1 August 2000.

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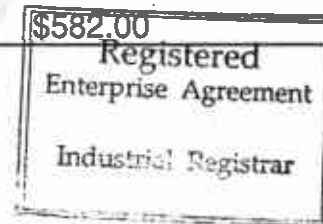
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B. Productivity Payment

For improvements in Production Efficiency the following payments will be made to each production employee:

% Improvement	Payment Per Annum
0 – 1.9 %	\$ 0
2 – 2.9 %	\$291.00
3 – 3.9 %	\$437.00
4 – 4.9 %	\$582.00

Payments are made at each six monthly interval.



C. Extended Overtime

When overtime is worked by Day Shift before normal Day Shift times, a paid break of 20 minutes and a meal allowance will be paid.

D. Warehouse

A structure of four skill levels will be introduced in the Warehouse and Receiving Areas. On 1st August 1999, all Warehouse and Receiving employees will move to skill level 1.

On 1st November 1999 each Warehouse employee will have been skills tested and allocated to an agreed skill level.

Pay rates for these skill levels are:

Level 1:	\$518.00 per week gross
Level 2:	\$528.00 per week gross
Level 3:	\$540.00 per week gross
Level 4:	\$552.00 per week gross

Each Warehouse employee will be trained and encouraged to move to the highest level for their capabilities.

On 1 August 2000 a 2.4% pay increase on each level will be made.

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It is agreed that employees on all skill levels will be assessed to ensure they are in the correct skill levels.

At any time during this agreement, employees may move up to higher skill levels providing training has been completed and agreed to.

Poor performing employees on skill levels 2, 3, and 4 will be counselled and given one month to prove they are in the correct skill level. No improvement after one month would see the employee repositioned to a lower skill level.

Any production or non-warehouse personnel working in the Warehouse (eg during period of heavy workload) would be paid at Level 1 rates.

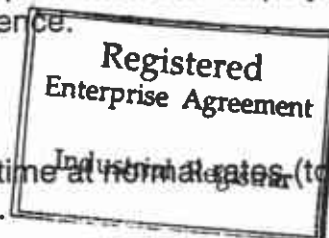
E. Forklift Allowance

An allowance of \$14.00 per week will be paid to all licensed Forklift Operators.

Allowances for Forklift and Turret Truck Operators are paid when the employee has successfully completed training and obtained a licence.

F. Part Time Employees

Part time employees must complete five hours of overtime at normal rates (to a total maximum of 38 hours) before penalty rates apply.



15 – STATEMENT OF INTENT

The parties agree, through a process of consultation and negotiation, to implement measures aimed at improving the efficiency and competitive position of the Company and to providing employees with skill related career paths, improved working conditions and access to higher living standards.

16 – DISCIPLINARY PROCEDURE

Should an Employee's work behaviour or attitude fall below acceptable standards the Company reserves the right to counsel such employee as an alternative to disciplinary action or termination.

Such counselling shall be done in accordance with the following procedure:

1. The employee's immediate supervisor will arrange a meeting with the employee, the purpose of which is to explain to the employee the nature of the complaint against him/her.
2. During this meeting, the employee is free to request the presence of the Union Delegate, or any other employee. It is the responsibility of the

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immediate Supervisor to ensure that the employee has the ability to request the presence of a third party, and also to ensure that an extra Company representative is present.

3. If an employee's conduct is such that he or she receives three letter of warning within a twelve month period; a further letter of warning received within six (6) months of the third letter of warning will result in the employee's termination of employment.

All letters of warning must be processed through the Personnel Department, prior to issue.

4. Adherence to this procedure will be abandoned should any one or all of the misdemeanours constitute a further act warranting instant dismissal.

Such acts include, but are not limited to:

- (a) neglect of duty, including endangering the safety of other workers;
- (b) dishonesty;
- (c) destruction or theft of company property;
- (d) refusal to obey a reasonable direction
- (e) refusal to abide by company policy;
- (f) striking any individual whilst on company premises;
- (g) serious / wilful misconduct.

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5. Nothing in this clause shall preclude the company from initiating discussions with the employee prior to invoking this clause in an effort to resolve a problem.

17 – OVERTIME

Time off in lieu of overtime can be taken providing prior agreement between the company and the employee is made.

18 – ANNUAL LEAVE

Annual leave shall be provided in accordance with the Annual Holidays Act 1944, as amended.

19 – SICK LEAVE

Each employee will be allowed three single days off per year of Agreement without a certificate.

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The company will allow the use of Sick Leave as Carers' Leave.

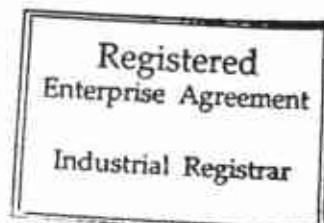
20 - CASUAL LABOUR

Casual labour hired, from an agency, and not by the Company, are excluded from the financial benefits of this Agreement.

21 - DECLARATION

The parties declare that the document:

1. Is not contrary to the public interest;
2. Is not harsh, unfair, or unconscionable;
3. Was at no stage entered into under duress;
4. Reflects the interests and desires of the parties.



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SIGNATORIES TO AGREEMENT

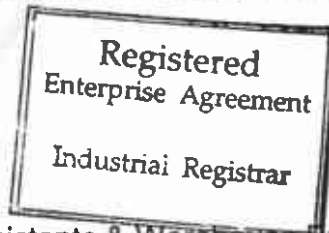
The undersigned parties approve the terms contained in the Enterprise Agreement herein sought and agree that the terms give effect to the agreement between them.

I am the Operations Manager of Cosmetic Products Pty Ltd and am authorised to approve the terms contained within this Enterprise Agreement on its behalf and have approved those terms on its behalf.


J. WARTH

dated

23/8/99



I am an officer of the Shop Assistants & Warehouse Employees Federation of Australia, Newcastle & Northern New South Wales, and am authorised by the Committee of Management of the Organisation to approve the terms contained within this Enterprise Agreement on its behalf and have approved those terms on its behalf.


G. Williams

dated

16/8/99