REGISTER OF ENTERPRISE AGREEMENTS

ENTERPRISE AGREEMENT NO: EA06/162

TITLE: 3M Australia (Thornleigh) Certified Agreement 2005

I.R.C. NO: IRC6/2018

DATE APPROVED/COMMENCEMENT: 31 March 2006 / 1 January 2005

TERM: 36

NEW AGREEMENT OR

VARIATION: Replaces EA01/153.

GAZETTAL REFERENCE: 5 June 2006

DATE TERMINATED:

NUMBER OF PAGES: 25

COVERAGE/DESCRIPTION OF

EMPLOYEES: The agreement applies to all employees employed by 3M Australia Pty Limited, located at 9-15 Chilvers Road, Thornleigh NSW 2120, who are engaged in the production, maintenance and warehouse part of the business and who fall within the coverage of the Drug Factories (State) Award and the Storemen and Packers, Wholesale Drug Stores (State) Award.

PARTIES: 3M Australia Pty Limited -&- The Australian Workers' Union, New South Wales

3M Australia Pty Limited

Thornleigh Site

Certified Agreement 2005

3M Australia Pty Limited

CERTIFIED AGREEMENT 2005

1. TITLE

This Agreement shall be known as the 3M Australia (Thornleigh) Certified Agreement 2005.

2. ARRANGEMENT

The Agreement is arranged as follows:

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3. APPLICATION

This Agreement shall apply to 3M Australia Pty Limited at 9-15 Chilvers Road Thornleigh NSW 2120. This Agreement shall apply to all employees who are bound by the terms of Drug Factories (State) Award and the Storemen and Packers - Wholesale Drug Stores (State) Award, employed in the production, maintenance and warehouse part of the business.

4. PARTIES BOUND

The parties to this Agreement are:

- a. 3M Australia Pty Limited
- b. All employees of 3M Australia Pty Limited at 9-15 Chilvers Road Thornleigh NSW 2120, whose terms and conditions of employment are regulated by the Drug Factories (State) Award and the Storemen and Packers Wholesale Drug Stores (State) Award, employed in the production, maintenance and warehouse part of the business, whether members of the organisations of employees listed in subclause (c) hereof or not.
- c. The organisations that represent the employees defined in (b), namely:
 - i. The Australian Workers' Union
 - ii. National Union of Workers

5. DATE AND PERIOD OF OPERATION

This Agreement shall operate from the beginning of the first pay period to commence on or after the date of Certification of this Agreement and shall remain in force for a period of 3 years, from 1st January 2005 to 31st December 2007.

6. RELATIONSHIP TO PARENT AWARD

This Agreement shall be read and interpreted wholly in conjunction with the Drug Factories (State) Award and the Storemen and Packers - Wholesale Drug Stores (State) Award and the 3M Pharmaceuticals (Thornleigh) Consent Award 1997, as varied during the life of this agreement, provided that where there is any inconsistency between this Agreement and the Drug Factories (State) Award and the Storemen and Packers - Wholesale Drug Stores (State) Award and the 3M Pharmaceuticals (Thornleigh) Consent Award 1997, this Agreement, shall take precedence to the extent of the inconsistency.

7. OBJECTIVES OF THE AGREEMENT AND MEASURES TO INCREASE THE PRODUCTIVE PERFORMANCE OF THE ENTERPRISE

The purpose of this Agreement is to provide a guaranteed rate of wages and a satisfactory level of working conditions during its currency, to promote industrial peace and continuity of production and to provide a means of settling disputes. On issues where this Agreement is silent and which need to be addressed during the term of the Agreement, the negotiation team shall reconvene to discuss the issue and decide appropriate action. Decisions made at this time shall be in good faith and become part of the current Agreement.

This Agreement is entered into by the Company and the employees on the basis of providing a guide for the conduct of everyday relationships between the Company and its employees, and who will accept and honour the full terms of the Agreement during its currency.

The Company recognises and affirms that its employees are entitled to fair treatment by Management in their mutual efforts, and in return, the Company expects a reasonable output of work. It also affirms that its employees are entitled to the protection of a safe working environment and the parties acknowledge that safe working conditions are essential and benefit both the Company and employees.

The parties to this Agreement recognise that the welfare of employees and opportunity to earn a living depends upon the success and prosperity of the Company. Employees will, therefore, perform their work efficiently, to the best of their ability and will co-operate with the Company in actions will result in better and more efficient operations so that the Company may adequately meet competitive conditions and provide on-going employment and improved conditions for employees.

8. STRUCTURAL EFFICIENCY/IMPROVED PRODUCTIVITY

<u>Undertaking</u>

The parties to this Agreement agree to co-operate to ensure that measures to meet the competitive requirements of enterprises are positively examined and implemented in the interests of both management and employees.

The purpose of this principle is to facilitate a fundamental review of the Company's operation to ensure that existing structures and practices are relevant to the modern competitive requirements of the industry and are in the best interests of both the Company and employees.

Core Skills

Each employee shall have a designated core skill. Job grades shall range from base level - new employee to specialist level - highly skilled employee. As an employee's competencies increase in their core skill, opportunities to become skilled in additional areas may arise.

To ensure uniformity of application, a committee shall be formed to handle skill assessment or training grievances. The composition will be an employee representative from the delegate group for the employee's core position, a representative from Human Resources and a manager from outside the area concerned. The committee shall convene only as required and accept submissions from relevant parties as a means of assessing grievances.

Notwithstanding the above, assessment on the progress of employee training shall be undertaken by the employee's supervisor. Tests for skill competency shall be at the request of a supervisor.

Gradings are not confidential.

For 'Base' level employees appraisals will be done within a 6 month period, for all other level employees, appraisals will be done within a 12 month period.

Multi-skilling

Multi-skilling is defined as the result of increases in skills that are additional to the job. These will allow employees to perform whole tasks as long as it is safe, legal and reasonable to do so, and the individual is competent.

Multi-skilling principles are designed to ensure fair acquisition and distribution of skills amongst the workforce. These principles are as follows:

- Management shall assess the workforce needs. All skill vacancies shall be advertised
 within the plant. These vacancies shall be shown as multi-skilling vacancies.
 Interested applicants, who must be advanced level in their core skill, may apply for
 such vacancies by completing a written application and will then be interviewed.
- An employee may not undertake training in a further skill until they have attained advanced level in their additional skill.
- Once an employee has completed the training period to gain additional skills, those skills shall be used upon direction by the Company.

Additional skills are those, which have been identified and are used as such. The existing practice of utilising employees to paint or work at odd jobs when production is slow shall not be recognised as a category in multi-skilling.

Should an employee withdraw from training in an additional skill further training in other skills will not be guaranteed, depending upon the reason for the withdrawal from training.

The Company undertakes to make payment for skills acquired. While under training in a second skill, the employee shall be paid at the competent operator level for that skill.

Multi-skill level/s will be reviewed at the same time as the core skill grading.

To retain the multi-skill competency level, employees are expected to work approximately 10 hours per month in their multi-skill area/s. It is up to the employee to seek his or her 10 hours multi-skill per month. This should not be left to the company management to determine. The employee is responsible for establishing and maintaining a log book which will be used to document the dates and times worked in the multi-skill area and signed by the appropriate Team Leader or Supervisor of the area at the time. (The employee must have the supervisor review and sign the log book monthly).

In cases where multi-skilling is being applied at work less than 60 hours over a six month period, the employee's Supervisor will review with management to determine whether continuance of the multi-skill allowance is applicable. (If the total hours are less than 60 hours over this six month period, management will review exceptional circumstances).

Payment of multi-skill allowance will cease if:

- i. The employee resigns from the multi-skill allowance:
- ii. There are performance issues which would see the employee losing their multi-skill allowance;

Payment of multi-skill allowance will be 'grandfathered' if:

- i. The employee moves to a new functional/occupational area, for example from Packaging at an Advanced Level to Compounding at a Base Level. Pay would become frozen until:
 - (a) such time that the employees new grading level pay is equivalent to the rate of pay they transferred from;
 - (b) or via incremental pay increases as part of this Agreement.

Job Rotation

The Company agrees to the principle of job rotation, in core job, to increase employee skills and work opportunities and to reduce boredom and discomfort, with the aim of improving overall production efficiencies.

Demarcation of Work

The Company agrees to provide or otherwise facilitate access to training activities and the employees agree to undertake tasks falling outside traditional classification boundaries. Following training employees agree to rotation of jobs in Manufacturing, Packaging, Warehousing/Distribution and Maintenance. There shall be no demarcation between equipment or tasks to ensure flexibility.

Where there are ongoing needs for people to perform tasks that fall outside their normal skill base, this would indicate a need for an additional multi-skill position or complete job review.

The Company may direct an employee to carry out such duties as are within the limits of the employee's skill, competence and training consistent with the classification structure of this Agreement.

9. RATES OF PAY/WAGES

- a. Wages will be increased as follows for the employees subject to this agreement:
 - i. An annual 4% increase in the rates of pay will be payable from the first full pay period in each February.
- b. The wage increases referred to in subclause (a)I of this clause shall not be absorbed into any over award payment.
- c. There shall be no further wage increases for the life of the Agreement.

The ordinary rate of pay applicable to employees will be those contained in the attachments of this Agreement.

The hourly rate will be determined by the weekly rate of pay and divided by 38.

Casual Rates of Pay will be equivalent to the base level operator in their functional area, plus 17.5% casual loading.

Allowances

All allowances will increase by 4% per annum for the term of this Agreement in line with clause 9a(i).

The application of an employee's allowance/s will be reviewed at the same time as the core skill grading. To retain their allowances employee's performance will be measured against the particular job description (eg Team Leader, Technical Trainer etc).

The allowances recognised by the parties are as follows:

Education Allowance - An amount as per Attachment 1 will be paid for each year of a successfully completed approved TAFE or equivalent course. To enable easy calculation of this clause 216 hours per year will be taken as the average one year course. Part year courses shall be to this figure, based upon number of class hours. For the purpose of this clause the following courses are examples of approved courses:

- Pharmaceutical and Cosmetic Technology
- Production and Inventory Management
- Quality Control
- Total Quality Control
- Value Analysis
- Applied Industrial Electronics
- Fitting and Machining, Tool-making
- 9342 Certificate III in Transport and Distribution (Warehousing and Storage)

Other courses may be deemed appropriate following discussions between the parties during the life of this Agreement.

To be eligible for the education allowance Management approval is required prior to commencement.

<u>First Aid Allowance</u> - An employee who is trained in First Aid at Company request and appointed by the Company as a First Aid Attendant shall be entitled to an allowance as per Attachment 1.

Where an employee is specifically designated to be in charge of a First-Aid room (usually during the absence of the Safety Officer), an allowance as per Attachment 1 shall be paid. It is expected this person shall be a qualified nurse.

<u>Fork Lift Allowance</u> - Where an employee holds a forklift license and is expected to use this, an allowance as per Attachment 1 shall be paid. This does not include Warehouse employees.

<u>Multi-skilling Allowance</u> - For each recognised additional skill an allowance shall be paid, based on the employee's level of competency in that additional skill. The rates shall be as per Attachment 1.

Shiftwork Allowance - Employees working in Group C, D and F shall be paid a shift allowance as per Attachment 1. Where an employee works overtime on a shift where an allowance is payable, the employee is paid either overtime allowance or shift allowance,

whichever is greater, not both.

<u>Team Leader/Line Coordinator Allowance</u> - Employees engaged as a team leader/Line Coordinator, in accordance with the job description, will be entitled to an allowance as per Attachment 1.

Tool Allowance - Qualified Fitters, working in accordance with the fitter's job description, will be entitled to a tool allowance as per Attachment 1.

Boiler Allowance - Employees who are required to start and stop the boiler as per SOP will be paid as per Attachment 1.

<u>Call in Allowance</u> – Where there is a need for a 'call-in' outside normal working hours for emergency breakdowns or boiler operation, overtime payments will apply for the duration of the time worked, and travel time to and from home. Payment of use of private vehicle on Company business allowance will not apply for this. If circumstances change and 'calling-in' becomes more frequent, this can be reviewed.

<u>Dangerous Goods Allowance</u> – An allowance for staff who hold an IATA Dangerous Goods Acceptance License will be paid as per Attachment 1.

<u>Rehabilitation Co-ordinator Allowance</u> – An allowance as per Attachment 1 will be paid to an Occupational Health Nurse to act as a Rehabilitation Co-ordinator.

<u>Use of Private Vehicle on Company Business</u> – When it is necessary for employees to use their own private vehicle on authorised Company business a kilometre allowance for kilometres driven will be made by the Company. The use and re-imbursement for use of a personal car for Company Business is conditional upon the car being insured by the employee under third party property and third party personal policies. The kilometre allowance for driving a privately owned car is calculated to cover wear and tear of the car as well as fuel and oil costs. The allowance shall be claimed via a travelling re-imbursement voucher. The rate paid shall be as per Attachment 1. Please see Attachment 2 for circumstances for payment of kilometre allowance.

Restricted Electrical Licence Allowance - as per Attachment 1.

<u>Technical Trainer Allowance</u> - Employees working in accordance to the Technical Trainer job description will be entitled to an allowance as per Attachment 1.

The objective of this allowance is for the Technical Trainer to impart knowledge and skills to co-workers and new employees.

- High level of expertise in their core skill (at least grade Advanced level).
- Provide on the job skills training for new employees, multi-skill employees and refresher training for people within the particular area.
- Work with Team leaders, whose role is to co-ordinate the training requirements of their area.
- Must hold accredited train-the-trainer qualification (course to be done in own time, fees and associated costs reimbursed).
- This allowance is on application only (finite number of Technical trainers) depending on business requirement (eg compounding, line service).

• This does not mean the teams should not help train others on the day-to-day activities in their own area.

To retain the Technical Trainer allowance, employees are expected to work approximately 10 hours per month in their technical training. It is up to the employee to seek his or her 10 hours technical training skill per month. This should not be left to the company management to determine. The employee is responsible for establishing and maintaining a log book which will be used to document the dates and times worked in technical training and signed by the appropriate Team Leader or Supervisor at the time. (The employee must have the supervisor review and sign the log book monthly).

In cases where technical training is being applied at work less than 60 hours over a 6 month period, the employee's Supervisor will review with management to determine whether continuance of the Technical Trainer Allowance is applicable (If the total hours are less than 60 hours over this six month period, management will review exceptional circumstances).

10. PAYMENT OF WAGES

The parties agree that it shall be a condition of employment of all employees under this Agreement that, wages and allowances of the employee shall be paid by electronic funds transfer.

11. RECLASSIFICATION

With the following exceptions, an employee being reclassified to a position with lower pay, shall continue on his/her current rate until such time as the rate for the new classification equals the rate being received. Such overpayment involved shall, for the time taken for it to be absorbed be considered as a "personal over-payment". It will not entitle any other person who works in that job, either temporarily or permanently, to that particular rate.

Exceptions

- Disciplinary reasons.
- Inability or incompetence to do the job.
- Employee's request for change to a lower grade in their existing core or multi-skill job.
- Reversion after acting in temporary capacity.

12. HOURS OF WORK

Employees shall work a maximum of 152 hours ordinary time in each 4-week period.

- Group A The ordinary working hours are an average of 38 per week, to be worked between the hours of 6.00am to 6.00pm Monday to Friday.
- Group B The ordinary working hours are an average of 38 hours per week, to be worked between the hours of 5.30am 9.00pm Monday to Saturday. This shift will work less than 5 days per week.
- <u>Group C</u> The shift working hours are an average of 38 per week finishing between 9pm and midnight and will incur an afternoon shift allowance as per Attachment 1.

- <u>Group D</u> The shift working hours are an average of 38 per week finishing between midnight and 5.30 am and will incur a night shift allowance as per Attachment 1.
- Group E This group is for special cases where people need to work a different set of hours to the shifts above eg light duties, educational courses. This must be in agreement with management, the employee and the employee representative.
- Group F This group covers those people starting their shift between 3.00am and 5.30 am People in this group will be paid a shift allowance as per Attachment 1.
- Group G This group covers those people starting their shift between midnight and 3.00am. People in this group will be paid a shift allowance as per Attachment 1.

People presently working in one of the above groups will not be compelled to transfer from one group to another unless it is a condition of their employment (Contracts after April, 2000) but may request a change if the circumstances arise.

Within the limits prescribed in this clause, the Company shall fix the starting and finishing times for the various employees. When set, these times shall not be altered without 7 days notice and following consultation with the relevant employees.

If additional shifts are required the company will discuss options with the Certified Agreement Group and the employees concerned.

Where a shift starts on a normal work day and finishes on a public holiday, particularly relevant for Group D, the full shift is to be worked.

13. OVERTIME

The parties recognise that, in order to meet production requirements, employees may be required to work a reasonable amount of overtime.

Employees shall be paid for such overtime on the following basis:

- (a) Double time for all overtime worked outside the ordinary hours on any day.
- (b) A minimum of 1 hours overtime shall be offered to the employee when overtime is worked Monday Friday. Where employees choose to work less than this time, they shall be paid for time worked.
- (c) Overtime shall be calculated according to time actually worked and does not include any break times.
- (d) Where agreement is reached between the employee and his/her supervisor to make up time, no overtime shall be paid.

Overtime shall be calculated on the existing rate for the position held and any allowance applicable to the individual employee.

Casuals shall be paid overtime after 38 hours work in any one pay week.

Permanents will be given preference for overtime. It is up to the permanent employee to ask his/her supervisor if overtime is available.

Overtime worked on a Sunday shall attract a total pay entitlement of 2 times the base rate of pay.

Overtime worked on a Public Holidays shall attract a total pay entitlement of 3 times the base rate of pay.

Overtime shall only be worked at one of either end of a period of annual leave.

An employee required to work overtime shall take the afternoon tea break immediately prior to commencing overtime, unless the majority of employees agree to move the break to the end of the overtime period.

14. WASH-UP TIME

Employees shall be entitled to 5 minutes wash-up time off the job at the completion of each shift.

15. ATTENDANCE RECORDS/TIMEKEEPING

The method of recording attendance shall be by time sheet and authorised by the appropriate Supervisor.

When an employee is late for work or ceases work before his/her normal finishing time or other unpaid time off (leave without pay), this shall be recorded on the employee's time sheet. In these cases, with mutual agreement, an employee may make up the time lost within two weeks so that no deduction in their pay takes place. Overtime will not be payable until such lost time is made up.

The employee shall, as soon as practicable and preferably before the start of the shift, and in any case within twenty four hours, of the commencement of absence, inform the Supervisor or Manager of their inability to attend for duty and, as far as practicable, state the nature and duration of the absence.

The disciplinary procedures as outlined in clause 18 are to apply in all cases of poor attendance and poor punctuality to ensure all employees are aware of the importance of regular attendance at work.

If an employee has a grievance arising from a warning relating to punctuality and/or attendance, then the grievance procedure shall apply.

The parties agree to work to reducing and maintaining absenteeism at the minimum possible level so that an unfair burden is not placed on remaining employees.

Particular attention will be paid to absenteeism occurring in the following instances:

- Single days occurring prior to and following Rostered Days off Public Holidays and Annual Leave.
- Absences occurring within the first three months of employment.

In these situations payment for the day absent shall only occur following production of a medical certificate.

16. GRIEVANCE PROCEDURE

The use of grievance procedure is designed to resolve all normal work related problems that may arise, as quickly as possible. The Union, Employees and the Company agree to take all reasonable steps to ensure their officers, members and staff follow this procedure.

In the event that an employee has a problem or a matter of concern regarding employment he/she shall, in the first instance, refer the matter to the immediate supervisor who will endeavour to resolve the problem.

If the matter is not resolved at this level, the employee and union delegate or employees representative shall approach the departmental manager to review the problem.

If agreement is not reached within the department the delegate may approach Human Resources. Failing agreement at this level the organiser shall be requested to review the situation.

The dispute shall be referred to the Industrial Relations Commission should resolution of the issue not have occurred at any previous stage.

If at any stage the Company feels a meeting of employees would clarify or resolve the issue, a paid meeting shall be called so that discussion may take place.

Following this meeting, employees may be allowed a further 10 minutes for discussion amongst themselves, if required. It would then be expected that the employees resume work and the department delegates report back to the Company.

The Company shall also consider paid breaks for report back meetings from the Union.

Whilst the grievance procedure is being carried out the pre-existing status quo should continue without a stoppage or disruption. Status quo refers to the situation existing immediately prior to the dispute or the matter giving rise to the dispute.

The procedures and obligations contained herein shall be equally binding on the Company and its employees and the Union and its members in respect of all changes of work practices or problems.

17. ANTI-DISCRIMINATION POLICY

It is in the intention of parties to this agreement to seek the objectives in section 3(f) of the Industrial Relations Act 1996 to prevent and eliminate discrimination in the workplace. This includes discrimination on the grounds of race, sex, marital status, disability, homosexuality, transgender identify, age and responsibilities as a carer.

It follows that in fulfilling their obligations under the Grievance Procedure prescribed in this agreement, the parties have obligations to take all reasonable steps to ensure that the operation of the provisions of this agreement Are not directly or indirectly discriminatory in tier effects. It will be consistent with the fulfilment of these obligations for the parties to make application to vary any provision of the agreement which, by its terms or operation, has direct or indirect discriminatory effect.

Unde the Anti-discriminatory Act 1977, it is unlawful to victimise an employee because the employee has made or may make or has been involved in a compliant of unlawful discriminator or harassment.

18. DISCIPLINARY PROCEDURE

The Company requires all employees to maintain a fair output of work and to follow all reasonable instructions relating to work.

Where a Supervisor or Department Manager believes that an employee is:

- not working in accordance with required practice; or
- is acting in a manner which is affecting reasonable work demands; or
- breaching Company Policy;

then, the following disciplinary procedure shall be followed: -

- (a) The Supervisor will issue an initial warning to the employee in the presence of the employee's chosen representative. Advice of this warning is to be forwarded to the Human Resources Department for placing on the employee's personnel file and a copy given to the employee.
- (b) Should a further incident occur, then the employee shall be given a written warning, in the presence of the Union Representative or the employee's choice of witness and a representative of the Human Resources Department, that any further act or acts may lead to dismissal.
- (c) Depending on the circumstances, any further breaches may attract a final written warning as in (b) above, but which will clearly indicate that any further breaches will lead to dismissal. The Company reserves the right, in cases of further serious and deliberate breaches to terminate the employment at this stage.
- (d) Should an action on the part of the employee warrant summary dismissal, then the responsible Manager is to immediately remove the employee from his or her place of work and advise the Human Resources Department. If it is agreed that the dismissal is to proceed, Human Resources will advise the appropriate union delegate and the dismissal will take place.

Nothing in this Clause shall affect the right of the Company to dismiss any employee for misconduct. In cases where an employee is not meeting the requirements of their core skill, multi-skill/s and or allowance/s the disciplinary procedure will be followed. If competency level continues to be below required level, re-grading or removal of allowance will occur.

19. MEAL BREAKS/TEA BREAKS

A thirty-minute unpaid break shall be allowed in each period of shift work as a meal break.

Group	Meal Breaks	Paid/Unhpaid	5 minute travel
5 shifts per week (7.6 hours min	1 x 30 min main meal break	Unpaid	Yes
per shift) Group A	2 x 10 min tea breaks	Paid	Yes
Day Shift (12.6 hours) Group B	1 x 30 min main meal break	Unpaid	Yes
	1 x 10 min tea break	Paid	Yes
	1 x 20 min tea break	Paid	Yes
Group C, F and G	1 x 30 min main meal break	Unpaid	Yes
	1 x 10 min tea break	Paid	Yes
Group D	1 x 30 min main meal break	Paid	Yes
	1 x 10 min tea break	Paid	Yes

A meal or tea break shall be taken so that no employee is required to work more than 5.5 hours without a break.

In addition to the above, employees will be allowed a 5 minute personal break to maintain concentration and a safe working environment as per guidelines below:

- No break within 1 hour of start or finish time.
- 1 break between start and morning tea.
- 1 break between morning tea and lunch.
- 1 break between lunch and afternoon tea.
- 1 break between afternoon tea and finish. (Group B only)

No breaks will be paid on non-work days overtime.

20. PERSONALISED WORK SCHEDULE

In accordance with the provisions of Clause 12 of this Agreement, each employee working a regular 5 day week shall be entitled to a maximum of 1 RDO in each four week period.

Hours of work for employees entitled to an RDO.

• 1 RDO – average 8.0 hours per shift/week.

Operating procedures for determining and controlling Personalised Work Schedule (PWS) shall be as follows:

Implementation of PWS

152 hours are to be worked per four-week period.

An employee, in consultation with his/her supervisor, will agree in advance the employees usual work hours and PWS pattern. Shifts off must be by mutual agreement and must meet business objectives.

When practicable only one person in an area is to be off at any one time. If this is not possible it should be the minimum number of people possible.

Recording of RDO's Taken

The Supervisor will maintain a record of RDO's taken.

Non Accumulation of RDO's

With the following exception, RDO shall not accumulate except where agreed between Management and Employees:

- Nominated shutdown periods.

RDO's During Annual Leave

RDO's will accrue during Annual Leave.

Annual Leave Loading for RDOs

Leave loading is not payable in respect to an RDO falling during a period of Annual Leave.

RDOs During Sick Leave

An employee who is sick on an accrued allocated RDO will not be entitled to another day in lieu, unless a doctor's certificate is provided.

RDOs During Long Service Leave

RDO's do not accrue during a period of Long Service Leave.

RDO's Falling During Jury Duty

An employee required for Jury Duty on their nominated RDO shall be entitled to full payment for that day. He/she shall not be entitled to an additional RDO.

RDO's and New Employees

RDO will apply for the first full month of employment and from then onwards. If an employee commences during a month, they will work 7.6 hours/day until the beginning of their first full month with the Company. Where a person is entitled to a "13th RDO", that RDO cannot be taken within an employee's three-month probation period at the start of their employment.

21. TERMINATION OF EMPLOYMENT

The employment of an employee who is employed under the terms of this Agreement may be terminated by one working week's notice on either side or by the payment or the forfeiture as the case may be of one working week's wages in lieu of notice.

Such notice may be given on any day of the week to take effect one week from the day on which it is given.

New employees shall be placed on a three month probation period prior to permanent appointment with the Company. The parties agree, after 30 calendar days and prior to expiry of the probationary period termination shall be by one working week's notice.

The Company reserves the right to dismiss any employee without notice for misconduct. In all these cases wages shall be paid up to the time of dismissal only.

Where an employee upon leaving, or being discharged from service requests, they shall be given a Statement of Service by the Company stating the length and nature of employment. This is the only statement the Company provides.

When an employee has been served termination notice or gives notice of termination, such notice cannot be withdrawn unless mutually agreed by both parties.

22. ABANDONMENT OF EMPLOYMENT

An employee who is absent from work for three working days without notifying the Company of the reason for the absence shall be deemed to have abandoned his/her employment.

For the purpose of this Clause, abandonment of employment will be regarded as misconduct and the employee may have his/her employment terminated accordingly. Before termination all reasonable efforts will be made to contact the employee.

23. REDUNDANCY

Where it becomes necessary to terminate the employment of a permanent employee, because the Company has made a definite decision that the Company no longer requires the job the employee has been doing, and the Company has not been able to offer to that employee an acceptable comparative position, then redundancy payment will be in accordance with the Company's guidelines for 'Retrenchment - Salaried Employees'.

For the purpose of this clause, an "acceptable comparative position" shall mean any position which would be viewed as reasonable in keeping with the employee's capabilities, based on the requirements for that alternative position as stated in the job description and the employee's skills, experience and capability in performing that job if training was provided.

This clause does not apply to casual employees, persons hired for a fixed term or to employees who resign or are dismissed for reasons other than redundancy.

24. UNION MEMBERSHIP

Employees covered by the Agreement may choose to be represented by a Union.

TUTA training will be allowed for delegates. Timing of such courses is subject to normal manning requirements. Payment will be made at normal rates.

25. CONDITIONS OF EMPLOYMENT

Part-time Employment

Definition

A "part-time employee" is an employee who is employed at least fifteen hours per week, but less than the total days or for less than the total hours.

- Part-time employees may be employed when the Company chooses.
- Part-time employees shall be paid at an hourly rate of pay which, shall be at the rate of
 one thirty eighth of the weekly wage of the appropriate classification, in accordance
 with the Rates of Pay clause of this Agreement.
- All other provisions of this Agreement with respect to allowances, Superannuation, Annual Leave, Sick Leave, Long Service Leave, shall apply to part-time employees, on a pro-rata basis.
- Not withstanding the above, the Company and the relevant employee may agree, in writing, to observe other conditions in order to meet special cases.

Casual Employment

Definition

A "casual" employee is an employee who is paid on an on-call basis.

- (a) Casual employees shall be paid an hourly rate equal to the appropriate weekly wage (as per Attachment 1) divided by 38 plus 17.5% loading.
- (b) The Company shall provide a minimum of 4 hours work in each day worked, except when for any reason beyond the Company's control, less than four hours is performed on any day (employee illness for example). In these cases payment shall only be made for actual time worked.

26. STAND DOWNS

Where a breakdown in machinery or any other cause outside the Company's control necessitates a cessation of work, the Company, after discussion with the Delegate team and giving employees 2 days notice, may stand down permanent employees without pay. The exception shall be in cases of industrial disputation where no notice period is required. Such stand-downs shall not affect the employee's continuity of service or entitlements that depend on continuity of service. This does not in any way affect the Company's right to terminate the employment of an employee in the normal manner.

27. WORK SAFETY

Under the Occupational Health and Safety Act both the Company and its employees have rights and obligations.

The Company requirements under the Act include:

- to provide or maintain plant and systems of work that are safe and without risks to health.
- to ensure that employees undertake their work in such a way that they do not present a danger to themselves, other workers or other persons on site.
- to make arrangements for ensuring safety and absence of risks to health in connection with the use, handling storage or transport of plant and substances.
- to provide or maintain a working environment for its employees that is safe and without risks to health and adequate as regards facilities for their welfare at work.
- as regards to any place of work under the Company's control to maintain it in a condition that is safe and without risks to health, and to provide or maintain means of access to and from it that are safe and without any such risks;
- to provide such information, instruction, training and supervision as may be necessary to ensure the health and safety at work of its employees.

Conversely, employees while at work:

- shall take reasonable care for the health and safety of persons who are at his/her place
 of work and who may be affected by his/her acts or omissions of work;
- shall co-operate with the Company in the implementation of any requirement imposed in the interests of health, safety and welfare.
- Employees are required to comply with any safety instructions given by management. Failure to do so may result in the application of the disciplinary procedure.

28. PROTECTIVE CLOTHING AND EQUIPMENT

The Company undertakes to reimburse employees who damage personal property, through an accident while in the course of their employment.

Uniforms and protective clothing are provided and must be worn in all processing areas. Head-covers, beard and moustache covers are to be worn in all areas so marked.

Protective safety equipment is provided as appropriate for machinery and must be used in areas so marked or when specific instructions are given in processing instructions. In addition, employees will be suitably trained in the use of safety equipment. Disciplinary action may occur when employees disregard safety equipment and protective clothing instructions. Continued disregard may lead to dismissal. Company issued clothes and shoes are not to be worn off-site.

Safe footwear shall be provided to all employees on the following basis:

- An initial issue of 1 pair shall be made to an employee from their first day of permanent employment.
- A person supplied with approved footwear shall be expected to wear such footwear. The only exception shall be where a doctors certificate is provided.

- Replacement footwear will be issued on the return of worn/damaged previous issue.
- Safe footwear shall be approved by the Safety Officer.

Safety glasses shall be provided to all employees. A person supplied with approved safety glasses shall be expected to wear these.

Permanent employees who wear prescription glasses will be provided with prescription safety glasses. Casual employees will be provided with non-prescription safety glasses. The Company will provide adequate uniforms to employees on commencement.

An employee's immediate Supervisor will examine requests for extra clothing on a 'as needs' basis.

The decision to replace uniforms and protective clothing, regardless of the number, shall be based on hygiene and safety consideration.

The Company undertakes to launder the uniforms supplied. Employees shall be involved in the selection of uniforms when changes are contemplated.

29. LEAVE

For the purpose of this clause employee's spouse shall include defacto spouse and defacto-in-law relationships when this relationship has previously been advised to Human Resources.

Annual Leave

Annual Leave shall be in accordance with the Annual Holidays Act, 1944.

As per the Annual Holidays Act and site custom, annual leave should be taken within six months of the date of which it is accrued. The maximum number of annual eave hours accrued prior to an agreed portion of it needing to be taken is 228 hours.

Illness During Annual Leave

Periods of illness occurring during Annual Leave will be paid as sick leave subject to the following conditions:

- The period of illness being 38 consecutive working hours or greater.
- The claim for payment as sick leave to be submitted on an Application for Leave application form and supported by a Doctor's Certificate.
- The employee having a current sick leave entitlement.

Annual Leave Loading

(a) Before an employee is given and takes an annual holiday, or, whereby agreement between the Company and employee the annual holiday is given and taken in more than one separate period, then before each of such separate periods, the employer shall pay the employee a loading determined in accordance with this clause.

- (b) The loading is payable in addition to the pay for the period of holiday given that is due to the employee under the Act and this Agreement.
- (c) The loading to be calculated is based on any period of Annual Leave to which the employee becomes entitled under the Act and this Agreement.
 - Where such a holiday is given and taken in separate periods, loading is to be calculated in relation to each separate period.
- (d) The loading is the amount payable for the period or the separate periods, as the case may be, stated in sub clause (c) at the rate per week of 17.5 percent of the appropriate weekly rate of pay prescribed by this Agreement for the classification in which the employee was employed immediately before commencing his/her annual holiday, but shall not include shift allowance, overtime rates or any other unnamed payments prescribed by this Agreement.

Appropriate weekly rate of pay refers to the rate prescribed by this Agreement plus the following allowances which are applicable - education allowance, multi-skilling allowance, first aid allowance, tool allowance, boiler allowance, forklift allowance, team leader/line coordinator allowance, technical trainer allowance, dangerous goods allowance, rehabilitation coordinators allowance and restricted electrical license allowance.

- (e) (i) When the employee is terminated for any reason other than misconduct then the employee is entitled to annual leave loading on any leave in accordance with subclause (c).
 - (ii) Except as provided by paragraph (i) of this subclause, no loading is payable on the termination of an employee's employment.
 - (iii) Where an employee has been paid loading in advance of the date of accrual, upon termination this shall be reimbursed to the Company.

Sick Leave

All permanent employees covered by this Agreement are entitled to 76 hours paid sick leave per year credited on their anniversary date, when absent through personal injury or illness.

Such leave will be paid at ordinary time rates. All sick leave absences of more than 2 consecutive working days must be accompanied by a doctor's certificate. Any absences immediately before or after Annual Leave, RDOs, Public Holidays or Long Service Leave will require a doctor's certificate. In the case of a history of poor attendance, a doctor's certificate may be requested for all absences.

Sick Leave entitlements not claimed in any one year shall accumulate from year to year as long as the employment is continuous.

All permanent employees covered by this Agreement, with a minimum of five years continuous service, shall be entitled to an additional sick leave benefit in the case of a long term illness or illnesses, defined as a minimum absence of 76 continuous working hours.

This benefit is not conditional on the status of the employees annual leave entitlement and shall take the form of an accumulation benefit whereby the Company will match the employee's accumulation of sick leave on a pro rata basis referenced to the employee's accumulation at the beginning of the illness, or the illness period if the illness results in one or more periods of absence. This leave benefit will only apply once the employee's sick leave benefit is exhausted.

If required, in granting this special leave, the Company, with the authorisation of the employee, may contact the employee's medical practitioner to ascertain possible alternative duties options.

The Company will also undertake to review special cases for requests for additional sick leave benefits, in which case requests approved shall be authorised by the Manufacturing Manager.

An employee wishing to determine the status of their sick leave benefit shall do so through their supervisor.

Family Leave Arrangements

Use of Sick Leave

An employee with responsibilities in relation to either members of their immediate family or members of their household who need their care and support shall be entitled to use, in accordance with this subclause, any sick leave entitlement.

- the employee being responsible for the care of the person concerned; and
- the person concerned being either:
 - a member of the employee's immediate family; or
 - a member of the employee's household.

The term 'immediate family' includes;

- a spouse (including a former spouse, a de facto spouse and a former de facto spouse) of the employee. A de facto spouse, in relation to a person, means a partner who lives with the first mentioned person as the partner of that person on a bona fide domestic basis although not legally married to that person; and
- a child or an adult child (including an adopted child, a step child or an ex nuptial child), parent, grandparent, grandchild or sibling of the employee or spouse of the employee.

The employee shall, wherever practicable, give the employer notice prior to the absence of the intention to take leave, the name of the person requiring care and their relationship to the employee, the reasons for taking such leave and the estimated length of absence. If it is not practicable for the employee to give prior notice of absence, the employee shall notify Management by telephone of such absence at the first opportunity on the day of absence.

Unpaid Leave for Family Purposes

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

Long Service Leave

Long Service Leave is payable in accordance with the Long Service Leave Act, 1955, in respect of all employees.

Parental Leave

Maternity, Paternity and Adoption Leave shall be in accordance with the Industrial Relations Act, 1996 and 3M's Parental leave policy with the exception of the personal family emergency leave which is not covered under this agreement. 2 working days of leave will be granted at full pay for prenatal appointments for expectant females or for circumstances involving the birth of a child (either parent).

This clause applies to permanent full-time and part-time employees.

Compassionate Leave

Compassionate Leave may be granted to permanent full time and part time employees in circumstances involving the death of an immediate member of the employees family, or the birth of a child. To ensure consistency across the site this shall be with management's approval.

An employee shall be entitled to 3 working days leave without loss of pay on the production of satisfactory evidence of the death of an employee's partner, mother, father, mother-in-law, father-in-law, brother, sister, child.

Upon the death of an employee's grandfather, grandmother or grandchild, the employee shall be entitled to 2 working days Compassionate Leave. For all other relatives an employee is entitled to one working day of absence.

The leave so granted shall be allowed immediately following such a death for the purpose of arranging and/or attending funeral services and/or legal matters.

<u>Picnic Day</u>

All permanent employees covered by this agreement are entitled to one (1) "Picnic Day" per calendar year, in lieu of the union picnic day. This day is to be taken in consultation with his/her supervisor. The picnic day cannot be taken within an employee's three-month probation period at the start of their employment.

Jury Service/Crown Witness

A permanent employee required to attend Jury Service, or is required to appear as a Crown Witness during his/her ordinary working hours shall be paid the difference between the payment they receive from the Court and their normal rate of pay for the period of absence.

Along with the notification of the jury requirement, people are sent a Statutory Declaration to complete. Since the Company pays the difference, 'option 2' on the Statutory Declaration form should be circled ie "I require payment as I will not receive my normal wage or salary from my employer". On return to work, proof of jury service attendance or a copy of the subpoena (in the case of a witness) together with evidence of the amount of payment received and the Leave Application should be sent to the Payroll Department and they will automatically pay the difference to the normal pay for the period of absence.

Where an employee is required for Jury Service or as a Crown Witness on their RDO, for that day he/she will follow the same procedure as if on a normal working day.

Repatriation Attendance

Permanent employees who are ex-servicemen or women shall be allowed as time worked, time incurred whilst attending Repatriation Centres for medical examination and/or treatment or visiting a doctor nominated by the Repatriation Department provided that:

- such time lost does not exceed four hours (including travelling time);
- an employee produces evidence satisfactory to the Company that he/she is required to and does attend a Repatriation Centre;
- additional travelling time may be allowed at the discretion of the Company depending on the circumstances in respect of distance to; and
- from the Repatriation Department.

Blood Donors

Where blood donation facilities are available in close proximity to the establishment, a permanent or casual employee who donates blood at such facility during his/her ordinary hours shall be entitled to leave of absence on each occasion for that purpose on no more than 4 occasions each twelve months.

Before making payment for such leave, the Company may require satisfactory proof of the employee's blood donation.

The employee shall give the Company reasonable notice of his/her intention to donate blood and indicate the time when absence from work will be required. Permission to attend shall be subject to normal manning requirements.

Civil Emergencies

Permanent employees under this Agreement who belong to a recognised volunteer emergency service shall be supported as follows:

- Where called upon to attend an emergency while at work, permission should be gained from the employee's supervisor prior to leaving. The time lost shall be paid as Special Leave - Emergency Services.
- When attendance is required at a seminar or training sessions, approval shall be granted on the basis that half the time shall be paid by the Company, the other half is to be taken as Annual Leave by the employee.

Military Leave

Permanent employees under this Award who are members of the Army Reserve shall be granted military leave of two weeks once each year. Such leave shall be granted in accordance with required time for continuous service training with their unit.

Where payment for such leave is less than what the employee would have received as ordinary time earnings for the same period, then, upon production of satisfactory proof, the Company will pay the difference.

30. SUPERANNUATION

This clause applies to all employees covered under this Agreement.

An eligible employee is defined as a permanent full-time or part-time employee on weekly hire covered by this agreement. These employees shall be eligible to join the 3M Staff Superannuation Plan.

For the purpose of this clause, superannuation will be calculated on the base rate of pay and allowances (excluding the health benefits allowance).

31. NO EXTRA CLAIMS

It is a term of this Agreement that the Unions and each of the employees bound by this Agreement will not pursue any extra claims, award or over award, for the duration of this Agreement as specified in Clause 5 of this Agreement. This includes claims relating to changes arising from award variations or decisions of the Commission other than changes that are consistent with the terms of this Agreement. It is also a term of this Agreement that the Unions and each of the employees bound by it will not take industrial action in support of extra claims, award or over-award, for the duration of this Agreement specified in clause 5 of this Agreement.

32 NOT TO BE USED AS A PRECEDENT

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

33. CONTINUOUS IMPROVEMENT

Management and its employees covered by this Agreement are committed to searching for areas where improvements can be made and implementing such improvements as part of this Agreement.

BY THE COMMISSION	
COMMISSIONER	
3M Australia Pty Limited	
•	Graham Garside

DATED THIS DAY OF 2005

Employee Representatives

Warren Anlezark

Paul Rooney

Union Representatives

Australian Workers Union

National Union of Workers

DATED THIS DAY OF 2005