

**REGISTER OF  
ENTERPRISE AGREEMENTS**

**ENTERPRISE AGREEMENT NO:** EA03/150

**TITLE:** BHP Steel (AI&S) Pty Ltd Port Kembla Products Berth Enterprise Development Agreement 2002

**I.R.C. NO:** IRC3/2504

**DATE APPROVED/COMMENCEMENT:** 10 June 2003

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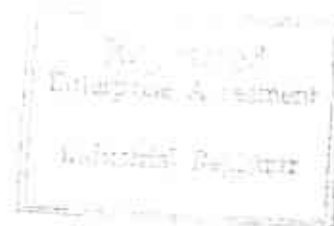
**EMPLOYEES:** Applies to all employees engaged at the Product Berth at Port Kembla working within the scope of the BHP Steel (AIS) Pty Ltd - Port Kembla Steelworks Employees Award 2000

**PARTIES:** BHP Steel (AIS) Pty Ltd -&- The Australian Workers' Union, New South Wales



**PORT KEMBLA  
PRODUCTS BERTH  
ENTERPRISE DEVELOPMENT  
AGREEMENT 2002**

**BHP Steel (AIS) Pty Ltd  
(Port Kembla)  
&  
Australian Workers' Union**



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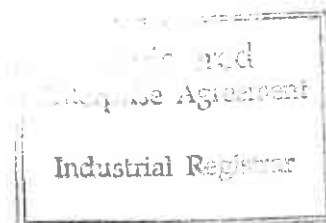
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## 1. TITLE

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This agreement shall be referred to as the "BHP Steel (AI&S) Pty Ltd Port Kembla Products Berth Enterprise Development Agreement 2002" (the "Agreement").

## 2. PARTIES TO THE AGREEMENT

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The parties to this agreement are:

- 2.1 BHP Steel (AIS) Pty Ltd (the "Company"); and
- 2.2 Australian Workers' Union, New South Wales (the "AWU").

## 3. APPLICATION

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This agreement applies to all employees employed by the Company in Products Berth classifications contained in this Agreement, and to whom the BHP Steel (AIS) Pty Ltd - Port Kembla Steelworks Employees Award 2000 published 23 March 2001 (323 IG 245) and any award that succeeds or replaces it (the "Steelworks Award"), applies.

This Agreement must be read in conjunction with the:

- 3.1 Steelworks Award; and
- 3.2 BHP Steel Port Kembla Operations Enterprise Agreement 2002 ("The Port Kembla Agreement")

which continue to apply to employees covered by this Agreement.

This Agreement prevails over the Steelworks Award and the Port Kembla Agreement, to the extent of any inconsistency between them.

This Agreement is in lieu of any monetary entitlement under the following clauses of the Steelworks Award:

Clause 6	Rates of Pay
Clause 15	Shift Work Allowances for Shift Workers
Clause 16	Saturday Rates for Shift Workers
Clause 18	Sunday and Public Holiday Rates
Clause 19	Night Work for Day Workers and Day Shift Workers
Clause 22	Overtime (other than paragraphs 22.3.2 Minimum Payment and 22.3.6 Spoilt Meal)
Clause 23	Public Holidays
Clause 41	Lump Sum Payment Scheme
Clause C	Mixed Functions in Part D – Appendix – Unrestructured Classifications

*This Agreement replaces and rescinds the Port Kembla Products Berth Enterprise Development Agreement 2000*

Industrial R

## 4. PURPOSE OF THIS AGREEMENT

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The purpose of this agreement is to set out the values, goals, principles and conditions which have been jointly developed by the parties and which will provide the framework for a new teamwork system at the Products Berth.

This agreement specifically sets out principles for people working together in teams. This involves teams and team members having a say in the decisions that affect them and progressively assuming greater levels of accountability and responsibility in their place of work. This will facilitate the creation of a work environment in which everyone will contribute to making the Products Berth a world class operation.

The intention is for this Agreement to set out principles and not to be prescriptive.

## 5. DIRECTION

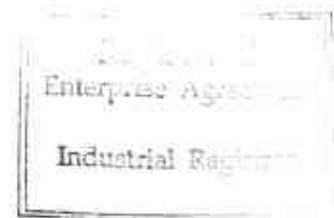
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The new team system of work has been developed to support the business directions of the Products Berth Section. This agreement is designed to allow achievement of the following principles that have come from the work between the parties:

- Create a safe environment where we can talk openly and honestly with each other
- We work through issues together
- We say whatever needs to be said and take it at face value without being concerned about how it will be said, provided respect for each other is maintained.
- We discuss issues in a non confrontational manner/arena
- We create a response system that is rapid and timely
- We truly call issues for what they are. If they are safety issues they get handled straight away
- We recognize and value the contributions of one another
- We are willing to look at all strategies in the interests of the operation.
- We support each other when we make decisions. We will speak with a common voice
- We have freedom to put things on the table and take them off at a later time when someone changes their mind
- When we discuss issues people will be well informed in relation to discussions regarding decisions

### Intentions

- To improve the business through 4 main areas:
  - Safety is best in the world
  - Top 30% in industry for productivity and costs
  - Operate with a new way of being together
  - Well paid with job security



- Operate with a common identity - one team working together and taking responsibility for the whole business
- To create a system where people have the initiative and enthusiasm to solve (fix) issues rapidly.
- Create an environment where people have a sense of belonging and purpose.
- Stand together as one voice when we take a position

### Values

The direction set for the Products Berth is deliberately challenging. To achieve it will require changes to the behaviors and attitudes of all who work there. To ensure that there is consistency of action in all situations by all parties. A set of fundamental values has been agreed to after participation of all employees. By following these values in all circumstances high levels of trust, cooperation and support will be established:

The values of the Products Berth are:

SAFETY

JOB SATISFACTION

ONE UNITED VOICE

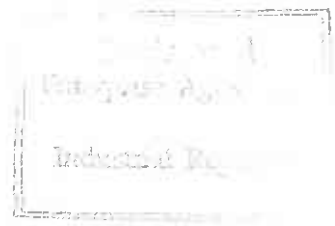
JOB SECURITY

SUCCESSFUL BUSINESS

HONESTY & TRUST

COSTS

QUALITY OF LIFE



## **6. BENCHMARKING & CONTINUOUS IMPROVEMENT**

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The Products Berth's focus in Port Kembla is on duties associated with the stacking of cargo, the mooring & un-mooring of ships, crane driving, warehousing, wharf recording and all other duties with the movement of BHP Steel's cargo. The future of the section, and the Products Berth employees, is inextricably linked to the ongoing capacity of BHP Steel to export steel cargoes to competitive international markets. The role of the Products Berth in Port Kembla is to provide a safe, quality, efficient, reliable, cost effective and highly productive service to enhance our ability to compete and secure market share in competitive international markets.

In order to assess the Port Kembla enterprise's performance a series of Key Performance Indicators (KPI's) will be developed and measured by the "Workplace Review committee" and agreed to by the parties. To make the measured KPI's meaningful in terms of assessing the Company's competitive position, a benchmark level of comparative international best practice will be identified for each KPI.

As part of the commitment to achieving best practice the employees, the Company and the Union understand and agree that a process of continuous improvement will be implemented. This can be achieved by:

- Understanding the inefficiencies and limitations of the product berth operations which prohibit the achievement of the agreed safety, quality, cost and productivity levels and the benchmarked international best practice level;
- Identify, agree and implement a process and strategies for the elimination of the factors which impinge on the product berth operations achieving the points identified above; and
- Implementation of identified and agreed between the parties processes and strategies.

## **7. THE WORK TEAM**

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The key approach to implementing the values on the Products Berth is the change in focus from individual work system issues to a situation where groups work as teams.

Teams will have a say in the decisions, which affect them, providing teams accept the responsibility and accountability associated with the outcomes of those decisions.

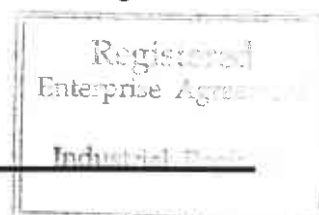
The Products Berth will move away from a directive to a participative work environment. The rate of this change will be dependent on skills acquisition and sharing of responsibility and accountability.

It is essential for two aspects of teamwork to exist in the Products Berth. Firstly, within the natural work teams that work on tasks to achieve a common outcome. Secondly, between work teams to ensure that together, individual work teams support and co-operate as high performing teams to achieve the overall mission and goals.

## **8. DUTIES**

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The duties of Products Berth employees in the following classifications shall include, but not be limited to, the duties outlined below. New entrants to the Products Berth must reach the levels of competence described in Product Berth Operator - Four Functions.





### **8.1. New Entrant**

This is a probationary and training position. During the first three months, the New Entrant will be required to obtain all training requirements and certificates applicable to the Product Berth Operator - Wharf Recording Function.

After three months, this person will be classified as a Product Berth Operator - Wharf Recording Function. The New Entrant to the Products Berth has a total of six months to gain all certificates and requirements applicable to the Product Berth Operator - Wharf Recording Function position from the date of their commencement at the Products Berth.

A New Entrant will be required to train and perform a wide range of general duties including assisting the team facilitator. These duties may include cleaning, brush hand painting, garden maintenance and other duties related to the general upkeep of berth, buildings and grounds.

Employees will be required to carry out these functions in a manner, which meets their obligations under safety and environmental laws.

If a New Entrant fails to successfully complete the training required within the six month period, then the parties shall consider any extenuating circumstances, which may have existed to prevent this person from completing the training within that specified period. If there are no extenuating circumstances, then the parties shall have further discussions with a view to that employee transferring either back to their original department or to an alternate department in the Steelworks.

An employee must be prepared to use any of the skills required for the above position as required.

### **8.2. Product Berth Operator - Wharf Recording Function**

A Product Berth Operator - Wharf Recording Function is capable and available to perform all the duties associated with wharf recording together with, but not limited to, duties associated with the stacking of cargo, the mooring and un-mooring of ships and all other Product Berths duties with the exception of crane driving, warehouse operations and team facilitating skills. Employees in this position may be required to assist the Team Facilitator in performing their duties.

Employees will be required to carry out these functions in a manner, which meets their obligations under safety and environmental laws. At the successful completion of six months appointment to this position and successful accreditation, a new entrant shall be classified as a Products Berth Operator accredited in the wharf recording skill.

An employee must be prepared to use any of the skills required for the above positions as required.

### **8.3. Product Berth Operator - Four Functions**

A Product Berth Operator accredited in the four functions will be capable and available to perform all Product Berth duties including peripheral supervisory tasks. In addition, the Product Berth Operator - Four Functions shall, by discussion with the team facilitator, assist in the planning and co-ordinating of the work to be performed during the shift. Employees at this level may be required to undertake training in order to perform the role of responsible person for OH&S activities.

Employees will be required to carry out these functions in a manner, which meets their obligations under safety and environmental laws.

NOTE: As of November 2001 the Luff crane function was no longer available due to their decommissioning. To maintain the four-function operator level the company reserves the right to include another function or activity. This will be done through consultation and by agreement between the parties.

### **8.4. Team Facilitator**

Up to two members of each team will undertake the team facilitator's role on each shift. Facilitators will be responsible for the smooth running of the shift and will foster teamwork within the crew. Some of the duties the facilitator will undertake include, but are not limited to:

- organising the incoming crew and ensuring adequate resources are available for all planned jobs in the next shift including assigning general duties
- administer VERA system and all leave requests including use of on line timekeeping system in conjunction with Port Kembla Warehousing Manager.
- responsible for OH&S on the crew including the organising the team to perform safety audits and tool box meetings.
- solving problems that occur during the shift with the assistance of the team
- liaising with maintenance on repairs to be performed
- administration and amendment of SOPs
- other duties to ensure the smooth running of the shift including completing a shift report.

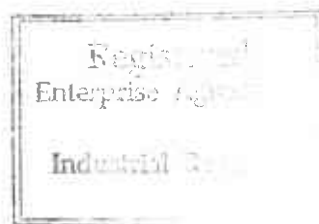
The facilitator will not make a decision about disciplining another team member but, as appropriate, will bring to the Port Kembla Warehousing Manager's attention any difficulties experienced with a member of the team and may recommend appropriate disciplinary action.

Achievement of this position will be subject to the employee satisfying the following minimum criteria:

- capable of and competent in performing all functions on the Products Berth without restriction.
- potential to train and to acquire the skills for the position.
- appropriate literacy and numeracy standards or the ability to progress to this standard.

Team members may rotate through this position. In these instances, a team member will only be paid the allowance when actually designated as the team facilitator. The Team Facilitator allowance is contained within Appendix 1 Annualised Salary. The allowance will be paid annually at the end of each financial year, on a prorated basis dependant on the number of weeks during the year for which the role was performed.

Once an employee has opted to progress into the classification structure, they must then use all of the skills they possess as reasonably required. The decision to opt into the classification structure is permanent. A training matrix will be developed during the course of this agreement to identify the skills required at the various products berth operator levels.



## 9. CONDITIONS OF EMPLOYMENT

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### 9.1. *Annualised Salaries*

All full time employees will be remunerated with an annualised salary. This will provide employees with a secure income, while ensuring safe, timely and effective operations.

The annualised salary will be made up of a base rate and a component which absorbs all additional payments such as penalty rates, allowances, shipping shift premiums, public holiday loadings and payouts and payment for additional hours worked outside the normal rostered hours to meet the requirements of the position. Appendix 1 outlines some of the penalties arrangements currently applying in the Products Berth Section that have been incorporated in the calculation of the annualised salary.

Employees working in classifications set out in Clause 8 shall not receive any additional payment through a bonus, productivity, gain-sharing or any other like scheme that from time-to-time may be extended to Steel Industry employees of BHP Steel (AIS) Pty Ltd or members of the Maritime Union of Australia where that scheme forms part of an enterprise agreement. Product Berth employees covered by this enterprise development agreement are not entitled to any payments under clause 41, Lump Sum Payment Scheme of the Steelworks Award, or any scheme or award that replaces it.

**9.2. Rates applicable from date of registration**

The following tables outline annualised and base salaries for each classification effective from the date of registration of this agreement.

**Annualised Salaries**

<b>Classification</b>	<b>Annualised Salary</b>	<b>Weekly Salary Payment</b>	<b>Hourly Salary Rate</b>
New Entrant (Day Work)	\$39 004	\$750.08	\$19.7389
New Entrant (Shift Work)	\$71 320	\$1371.53	\$36.0929
Product Berth Operator - Wharf Recording Function	\$82 448	\$1585.53	\$41.7245
Product Berth Operator - Four functions	\$91 912	\$1767.53	\$46.5139
Facilitator	\$91 912 + \$2600 allowance	\$1767.53 + \$50.00	\$47.8297

**Base Salary (for a 38 hour week)**

<b>Classification</b>	<b>Rate for 38 hour week</b>	<b>Rate per hour</b>
New Entrant	\$663.31	\$17.4556
Product Berth Operator - Wharf Recording	\$781.25	\$20.5592
Product Berth Operator - Four Functions/ Facilitator	\$870.74	\$22.9142

**9.3. Rates applicable from the first pay period on or after 6 August 2003**

The following tables outline the annualised and base salaries for each classification effective from the first pay period on or after 6 August 2003.

**Annualised Salaries**

<b>Classification</b>	<b>Annualised Salary</b>	<b>Weekly Salary Payment</b>	<b>Hourly Salary Rate</b>
New Entrant (Day Work)	\$40 564	\$780.08	\$20.5284
New Entrant (Shift Work)	\$74 172	\$1426.39	\$37.5366
Product Berth Operator - Wharf Recording Function	\$85 746	\$1648.95	\$43.3934
Product Berth Operator - Four function	\$95 588	\$1838.23	\$48.3745
Facilitator	\$95 588+ \$2704 allowance	\$1838.23+ \$52	\$49.7429

**Base Salary (for a 38 hour week)**

<b>Classification</b>	<b>Rate for 38 hour week</b>	<b>Rate per hour</b>
New Entrant	\$689.84	\$18.1537
Product Berth Operator - Wharf Recording	\$812.53	\$21.3824
Product Berth Operator - Four Functions/ Facilitator	\$905.57	\$23.8308

#### **9.4. Definitions for Annualised Salary**

**Weekly Salary Rate:**

This is calculated by dividing annualised salary by 52 weeks.

**Hourly Salary Rate:**

This is calculated by dividing the weekly salary rate by 38 hours.

**Base Salary:**

This amount is the salary for a base 38-hour week worked during day shift, Monday to Friday.

**Deduction of Pay:**

Where an employee does not attend work as rostered for an ordinary or compulsory overtime shift for reason other than a form of paid leave (ie strike, non authorised absence) then pay will be deducted at the hourly salary rate x the number of hours of non attendance. An employee will also be deducted the additional hours component for any period that fail to work the requisite hours where required.

#### **9.5. Working of Additional Hours**

Employees may be required to work additional hours (i.e. overtime rather than VERA) contained in the annualised salary at any stage during the roster cycle subject to the following guidelines:

- Employees will accrue (i.e. owe) a buffer of up to three 12 hour shifts (36 hours) of additional hours beyond ordinary rostered hours. After 36 additional hours are accrued, no further overtime will be accrued until an employee has been required to pay back the overtime.
- Employees will not be required to work more than two 12 hours overtime shift per fortnight (pay period).
- The two 12 hour overtime shifts in a fortnight (per pay period) will not be worked consecutively. However an overtime shift may be worked consecutively with ordinary rostered shifts.

The annualised salary remunerates employees for 5.5 additional hours per week beyond ordinary rostered hours.

#### **9.6. Payment for Leave**

The payments made for various leave and absences from work under annualised salary arrangements are outlined in Appendix 3. Payment for the various types of leave is subject to qualifying for that leave.

### **9.7. Discretionary Sick Leave**

Employees are expected to attend work regularly. Sick leave provides an insurance that an employee who is unable to attend work because of a genuine illness or injury will continue to receive their annualised salary in accordance with the arrangements outlined in Appendix 5.

In instances where an individual abuses the sick leave provisions, the team, crew delegate or management may discuss this with the individual.

### **9.8. Superannuation**

Superannuation for full time employees will be calculated using the base salary rate as contained in Section 9.4.

## **10. WORK ARRANGEMENTS**

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### **10.1. Manning**

The manning level for each shift team is as follows:

- One (1) Wharf Recorder per gang NOTE: To a maximum of 4 gangs. In the case that 5 Stevedoring gangs are used then, existing labour will be used by either closing the RoRo / warehouse or by using the annual leave relief person if they is available. If this is not possible then an additional person will be called and compensated by VERA. Only in the case where an additional person was required, VERA will be used to compensate individuals to a maximum of four eight hour shifts per month beyond this additional payments will be made at the rate of the hourly salary rate (defined in section 9.4). This arrangement will monitored and reviewed after 6 months of the agreement being signed.
- One (1) Warehouse/RoRo Operator
- One (1) Leave Relief

giving a total of six (6) personnel per shift. However on a particular shift, the make up of the shift teams may vary from the above depending upon, for example, the duties planned for that shift and the approved leave/VERA commitments.

Members of the team must regularly rotate between the various duties on the Products Berth to maintain their skill level and flexibility within the team. All members of the team able to perform all functions required for the four-function operator. New entrants must be able to progress to the four-function operator to be eligible for selection.



In the event of a significant change in the operation (e.g. tonnes, markets, technology, equipment) of the enterprise or in the level of activity of the operation this structure will be reviewed in consultation with the "Workplace Review committee".

It is recognised by the parties that the above manning includes a change in work practice in regard to the supply of wharf recording services to external stevedores. External stevedores will no longer use a Products Berth Operator to record the loading of BHP Steel products. However, a Products Berth Operator will continue to perform the wharf recording function at external berths when the work is being performed by BHP Steel Stevedores. The parties reserve the right to review this arrangement if there is a significant change in the amount of BHP Steel products loaded by external Stevedores relative to the BHP Steel Stevedores.

### **10.2. Roster**

Teams will work twelve (12) hour shifts on a three-night / three-day rotation. A sample roster is contained in Appendix 2.

Shifts will commence at 0730 hours in the case of day shift and 1930 hours in the case of night shift.

Changes in the roster arrangements and/or shift starting times may occur by agreement between the parties.

### **10.3. Roster Days**

Members of each work team agree to stagger their accrued 38 hour roster days during the roster cycle each month to meet operational requirements. There will not be a designated roster day off for the entire crew.

### **10.4. Voluntary Employee Rostering Arrangements (VERA)**

Voluntary Employee Rostering Arrangements (VERA) is a mechanism to manage peaks and troughs in workload by moving some resources during quiet times to busier or more productive periods. Participation in VERA is voluntary. Further details of the VERA system are contained in Appendix 4.

### **10.5. Coverage of Jobs**

The team facilitator will be responsible for ensuring there are adequate resources to cover operational requirements for the incoming shift. This may include altering the jobs to be performed during the next shift or calling in team members rostered off to make up numbers to the required manning level. The process for call outs is contained within Appendix 4 VERA.

All employees have a component of prepaid overtime (5.5 hours per week) in their annualised salary to compensate for this requirement. Team members may refuse a prepaid overtime shift once in a full cycle of the roster but then is obliged to accept the next prepaid overtime shift. The "Workplace Review committee" will consider any extenuating circumstances. Failure to work a prepaid overtime shift will result in a deduction of the additional hours component of the salary for the pay period.

## **11. GENERAL**

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### **11.1. Safety**

All parties are totally committed to improving safety standards and will actively encourage and promote the levels of safety awareness that such standards demand. Effective training of all personnel is essential to achieve these standards.

To be effective the commitment and involvement of all employees is required, in particular employees must take reasonable care in the performance of work to prevent work-related injuries to themselves and to others.

Appropriate PPE will be mandatory to wear and will be enforced by management, the team facilitator, and the delegate on the job and supported fully by the union and employees. Employees will not be allowed to start work unless the appropriate Personnel Protective Equipment is worn.

The Company's Drug & Alcohol policy will be followed. All employees agree to comply with this policy and ensure their fellow employees comply, however it will be the joint responsibility of the team facilitator and crew representative to ensure that no member will be allowed on the berth if they are under the influence of drugs or alcohol. This is fully supported by the union.

The parties and employees recognise their respective obligations under state occupational health and safety legislation and agree to cooperate to meet these obligations. The parties are committed to:

- Preventing injury and illness by providing a safe and healthy working environment.
- Preventing unsafe acts and damage to property and environment.
- Carrying out work recognizing that safety is essential to achieve operating and business objectives.

### **11.2. Rehabilitation & Compensation**

Both parties will abide by the state compensation and rehabilitation Acts.

#### 11.2.1. Rehabilitation

If, arising out of an injury, an employee has medically imposed restrictions then, where alternate duties can be found that are within those restrictions, the employee will come to work to perform such duties.

#### 11.2.2. Compensation

Workers Compensation and Rehabilitation will be administered as per the relevant New South Wales legislation. This is summarised in the "Workcover Summary To Be Posted Up At Workplaces" which specifies the procedure for notification of injury, lodging a claim for compensation, workers rights to information, employers obligations to take claims action, commencement of weekly payments, Workcover conciliation and insurance coverage.

### 11.3. Training

Where the Company requires an employee to obtain a licence, or other qualification the Company shall pay the normal costs of such licence or qualification.

The Company may appoint either internal or external workplace assessors as appropriate.

All employees shall be available to undertake training as required by the Company and to train other employees when required by the Company. Training (either trainee or trainer) performed by Company personnel will not attract additional payment. Training hours shall be treated as worked hours for the purposes of rostering.

Training will be provided as determined by the Company and may include external trainers.

### 11.4. Team Meetings

Each team may have meetings to discuss issues concerning the workplace and related issues. Team meetings shall be scheduled so there is no interruption to operational requirements and where possible, will be held in idle time. Team meetings held outside normal rostered hours will not accrue VERA hours unless authorised and agreed by the Port Kembla Warehousing Manager.

Each team will meet once a month at prearranged times for approx four (4) hours duration.

### **11.5. 'Workplace Review Committee' Meeting**

A "Workplace Review Committee" consisting of employees, management and union representatives will be established upon implementation of this agreement. The "Workplace Review Committee" will contain a minimum of one employee representative from each crew and, depending on resources, a maximum of two employee representatives from each crew. The committee will meet periodically. Members of the 'Workplace Review committee' who attend a scheduled meeting outside their normal rostered hours will, by agreement between the parties, be eligible to accrue VERA hours for the duration of the meeting.

### **11.6. Other Meetings**

Employees who represent their crew at a meeting involving members from each crew eg Combined OH&S Meetings, will be eligible to accrue VERA hours for the duration of the meeting if rostered off.

## **12. FACILITATIVE PROVISIONS**

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### **12.1. No Extra Claims**

It is a term of this Agreement that the parties will not, during the term of this Agreement, make or pursue any claim for rates of pay, salary, allowances or conditions except as provided for Clauses 12.2 and 12.4 of this Agreement.

This clause does not prevent the implementation of changed processes and methods of work in accordance with the terms of the Agreement.

### **12.2. Term**

This agreement shall take effect from date of registration for a period of 20 months.

Registered  
Enterprise Agreement  
Industrial Registrar

### **12.3. Review**

This agreement will be subject to continuous review by a 'Workplace Review committee'. The review shall be used to ensure continued good relations exist between all the parties, to resolve any unforeseen issues/tensions that come up through this agreement, to ensure productivity and quality improvements are met and the system is not being abused.

In the event that a significant change occurs which affects the stevedoring operations at Port Kembla, the parties agree that they may seek a review of the provisions of any of the relevant terms of this Agreement.

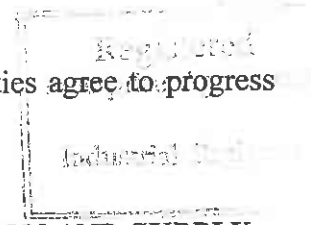
Variations to the agreement may be made if agreed to by all the Parties, and subject to the requirements of the Industrial Relations Act 1996.

#### **12.4. Procedure for Resolving Claims, Issues and Disputes**

All parties share an intent that there be "zero industrial action" and to that end will actively ensure that employees, delegates and officials will, on each and every occasion where a dispute arises and is not resolved, follow the dispute settling procedure, in clause 36 of the Steelworks Award (the "DSP"), and not take industrial action.

In accordance with this, the Parties agree to discuss any claims, issues or disputes locally within the crew, with the manager or through the 'Workplace Review' committee in the first instance, to enable these issues to be progressed while work proceeds normally.

In the event that the dispute cannot be resolved the Parties agree to progress through the remaining steps outlined in the DSP.



#### **12.5. REGULATION OF DISTURBANCES TO PRODUCTION AND SUPPLY**

The parties recognise the paramount importance of satisfying the Company's customers each and every day and the close linkage between customer satisfaction, business performance and employment security.

The Parties recognise that sustained security of employment can only be based on long-term business success and the parties being committed to the development and achievement of the Companies business plans. Security of employment is important for improving working relationships, trust and cooperation.

The parties recognise that to achieve these goals and maintain secure employment, they must manage their differences without allowing these differences to cause disruption to the efficient operations of the Company. To this end Clause 9, Regulation of Disturbances to Production and Supply of the Port Kembla Agreement, continues to apply to employees covered by this agreement.

The Port Kembla agreement requires steel slabs produced during a stoppage to be handled in an efficient and effective way as directed by the Company. Slabs produced during the course of industrial action will be stored at locations selected by the Company and will not be further handled, dispatched or processed until the actual cessation of the industrial action.

The obligations to comply with the arrangements contained in this clause, does not restrain, or seek to restrain, the taking of industrial action, which does not result in non-compliance with these obligations. The parties are however committed to working together to provide a workplace where issues are resolved without recourse to industrial action.

### 13 SIGNATURES

Signed for and on behalf of the  
THE AUSTRALIAN WORKERS' UNION,  
NEW SOUTH WALES

*Anay S. ...*  
*a fllter*

this *19 March* day of

2003

in the presence of

*A. G. ... J. Botica*  
*...*  
*MARIO BLASI*

Signed for and on behalf of  
BHP STEEL (AI&S) PTY LTD

this *19 March* day of

2003

in the presence of

*Jozo Botica* *J. Botica*

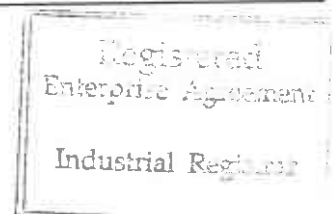


**Appendix - 1**

**Annualised Salaries**

The following shift premiums applied in the Products Berth section prior to the introduction of this agreement and underpin the calculations of annualised salaries.

Shift	Premium
Ordinary Day Shifts – Monday to Friday	Ordinary Stevedoring Hourly Rate
Ordinary Afternoon Shifts – Monday to Friday	Ordinary Stevedoring Hourly Rate Plus 50 per cent
Ordinary Night Shifts – Monday to Friday	Ordinary Stevedoring Hourly Rate Plus 100 per cent
Ordinary Saturday Shifts	Ordinary Stevedoring Hourly Rate Plus 100 per cent
Ordinary Sunday Shifts	Ordinary Stevedoring Hourly Rate Plus 150 per cent
On Day and Afternoon Shifts on Public Holidays	Ordinary Stevedoring Hourly Rate Plus 150 per cent
On Night Shifts on Public Holidays	Ordinary Stevedoring Hourly Rate Plus 200 per cent
Work Two Consecutive Shifts	Paid for the second shift at the ordinary rate in addition to the rate appropriate for the additional shift worked except for shifts falling wholly between 11.20pm Friday and 11.20pm Sunday and all shifts on Public Holiday where the second shifts shall be paid at half the ordinary rate in addition to the rate appropriate for the additional shift worked
All time worked not continuous with the shift during which the employee's ordinary hours of work are performed	Rate of pay is twice the ordinary rate for all shifts falling wholly between 11.20pm Sunday and 11.20pm Saturday, 2 ½ times the ordinary rate on a Sunday and on a day or evening shift on a Public Holiday, and 3 times the ordinary rate on the night shift on a Public Holiday





12 Appendix - 2

Sample Roster

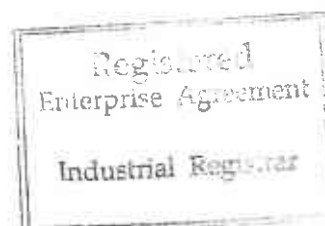
**3 NIGHT/DAY ROSTER CYCLE**

Day	A	B	C	D	A	B	C	D
S	N	R1	R2	D	D	R2	R1	N
M	N	R2	R1	D	D	R1	R2	N
T	N®	R2	D	R1	R1	D	R2	N®
W	R2	N	D	R1	R1	D	N	R2
T	R1	N	D	R2	R2	D	N	R1
F	D	N	R1	R2	R2	R1	N	D
S	D	R2	R1	N	N	R1	R2	D
S	D	R1	R2	N	N	R2	R1	D
M	R1	D	R2	N	N®	R2	D	R1
T	R1	D	N	R2	R2	N	D	R1
W	R2	D	N	R1	R1	N	D	R2
T	R2	R1	N®	D	D	N®	R1	R2
F	N	R1	R2	D	D	R2	R1	N
S	N	R2	R1	D	D	R1	R2	N
S	N	R2	D	R1	R1	D	R2	N
M	R2	N	D	R1	R1	D	N	R2
T	R1	N	D	R2	R2	D	N	R1
W	D	N®	R1	R2	R2	R1	N®	D
T	D	R2	R1	N	N	R1	R2	D
F	D	R1	R2	N	N	R2	R1	D
S	R1	D	R2	N®	N	R2	D	R1
S	R1	D	N	R2	R2	N	D	R1
M	R2	D	N	R1	R1	N	D	R2
T	R2	R1	N®	D	D	N®	R1	R2
W	N	R1	R2	D	D	R2	R1	N
T	N	R2	R1	D	D	R1	R2	N
F	N®	R2	D	R1	R1	D	R2	N®
S	R2	N	D	R1	R1	D	N	R2
S	R1	N	D	R2	R2	D	N	R1
M	D	N	R1	R2	R2	R1	N	D
T	D	R2	R1	N	N	R1	R2	D
W	D	R1	R2	N	N	R2	R1	D
T	R1	D	R2	N	N	R2	D	R1
F	R1	D	N	R2	R2	N	D	R1
S	R2	D	N	R1	R1	N	D	R2
S	R2	R1	N	D	D	N	R1	R2
M	N	R1	R2	D	D	R2	R1	N
T	N	R2	R1	D	D	R1	R2	N
W	N®	R2	D	R1	R1	D	R2	N®
T	R2	N	D	R1	R1	D	N	R2
F	R1	N	D	R2	R2	D	N	R1
S	D	N®	R1	R2	R2	R1	N®	D

**13 Appendix - 3**

**Payment for Leave**

TYPE OF LEAVE	PAYMENT
Annual	Salary
Long Service	Base
Sick	Salary
Jury Duty	Make up to salary
Worker's Compensation	Make up to salary to a maximum
Compassionate/ Bereavement	Salary
Parental	No payment
Carer's Leave	Salary - linked to sick leave
Defence	Make up to salary
Emergency Services (designated circumstances)	Ex gratia payment to make up lost salary
Sporting (international & state events only)	Salary
Strike/Stoppage/Non attendance at work which is not authorised	Deduct number of hours of non attendance from annualised salary using salary hourly rate



## 14 Appendix - 4

## VERA System

### 14.6 Purpose

It is acknowledged by all parties that the proposal of an annualised salary system put forward in the Products Berth Operations Redesign Process, is structured to minimise the need to work additional hours and encourage individuals to work smarter.

Notwithstanding this, there will be times when additional hours will have to be worked. Voluntary Employee Rostering Arrangements (VERA), provide the mechanism through which to manage additional hours.

#### 14.6.4 Concept

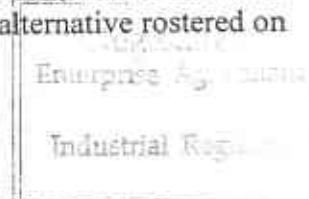
VERA can be used to manage peaks and troughs in workload by moving some resources during quiet times to busier or more productive periods.

In the past, overtime has been used to cover peaks and troughs. The concept of VERA enables teams to arrange to have the right resources in place to meet work requirements. The use of additional hours for this purpose should be seen as the exception rather than the norm.

#### 14.6.5 Process

VERA is a process by which an employee is able by volunteering, to:

- Move from the normal rostered on shift to an alternative shift on the same day within the agreed maximum hours or,
- Move from the normal rostered shift to the same shift on an alternative day, or
- Move from the normal rostered on shift to an alternative shift on an alternative day, or
- Finish a normal shift early or start late and transfer those hours not worked to an alternative day, or
- Extend their normal shift by working additional hours (within allowable maximum hours) and deduct hours worked from an alternative rostered on day.



## 14.7 Conditions

### 14.7.4 Application

Additional Hours will be managed as follows:

- For shift teams, any hours above ordinary hours will be managed through VERA.

### 14.7.5 Maximum Accrued Hours

- Employees can accrue a maximum of 36 hours (3 shifts) in credit and 36 hours (3 shifts) in debit in a designated period (e.g. 12 week cycle).
- No hours can be accrued beyond 36 hours in the cycle.

### 14.7.6 Debit/Credit Rules

VERA hours will be applied as follows:

**For extensions to normal rostered shift:**

Accrual will be time for time eg; two (2) additional hours worked counted as two (2) hours VERA.

**For non rostered days:**

An employee must VERA on for a minimum of four (4) hours.

Accrual of VERA hours will be time for time eg VERA on for four (4) hours receive four (4) hours credit:

- A list of employees wishing to VERA on/off over a specified period will be available for all team facilitators. Employee wishing to VERA on/off will, have the responsibility of communicating their availability to the team facilitator. An employee will not be entitled to VERA off if the shift team cannot cover jobs required for the specified period.

**VERA Off**

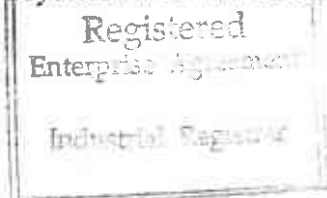
Employees wishing to VERA off for part of a normal rostered shift must do so for a minimum of four (4) hours.



#### 14.7.7 Call out Rules

The intention is to avoid overtime and disturbing the crew rostered off. Therefore, to cover a shift the call out process will be as follows:

1. The crew rostered on will consider flexibility within the functions and tasks for the day.
2. The crew rostered on will consider closing the Ro/Ro / Warehouse function, delay deliveries or take a delivery and leave, product loaded.
3. The crew rostered on will work an extended shift or come in early (take time for VERA) to a maximum of four hours.
4. The crewmember that is on a 38 hour roster will be asked to cover the shift on voluntary basis before the other rostered crews are disturbed.
5. Employees on availability list for VERA on will be called.
  - Team facilitator will then look to the summary list of VERA hours of available employees (rostered off) and will call out in order of those who have accrued most number of hours in the negative down to the least number of hours in the negative.
  - If the situation arises where all available employees are in credit (positive hours) then person with least number of hours in credit will be called out first, down to the employee with the most number of hours in credit.
5. If in this situation a position still cannot be filled then the team facilitator will revert to the pre-paid overtime list and employees will be called in on pre-paid overtime starting from the employee who has worked the least prepaid overtime to the most. An employee called in on pre-paid overtime will not accrue VERA hours for the time worked. The time worked will count towards the prepaid overtime contained in the annualised salary. The employee will still be required to pay back VERA hours owed at a later date.
6. All products berth employees covered by this agreement, will be required to work a minimum two 12 hour VERA shifts or a total of 24 VERA hrs, per month if required, ~~beyond this it will be on~~ the current voluntary basis.



#### 14.7.8 Settlement Process

- All VERA hours will be reviewed each month by team facilitators.
- Every effort should be made to ensure that at the end of twelve (12) week cycle all VERA hours are settled to zero.
- VERA hours may be carried over from one cycle to the next.
- All VERA hours are to be settled at the end of the financial year. If a team member is in debit (-ve hours) then that team member will be required to payback those hours. If a team member has an outstanding debit of more than six months then these hours will be deducted from the team member's annual leave balance.
- The team facilitator is responsible for ensuring that no team member is in debit at the end of the financial year.
- VERA hours are to be recorded on a system to enable automatic settlement to occur.

#### 14.8 Guidelines

VERA is to be managed on a team basis according to the following guidelines.

##### 14.8.4 Resourcing

- Personnel must not be VERA'd in to cover personnel VERA'd off.
- Personnel are to be utilised from within their own team/shift and from rostered off shifts second.
- It is the responsibility of the outgoing shift team to ensure that the correct numbers of team members are available for the oncoming shift.
- All teams are to ensure that minimum numbers are maintained to operate, maintain and service the business:
- Personnel will be allowed to VERA on or off for less than a full shift. Four (4) hours will be the minimum allowable.

VERA will only be permitted when there are sufficient people left to cover all required tasks.

Rostering to accommodate VERA **must** be for real work, not manufactured work.

#### 14.8.5 Notice Periods

- VERA is to be planned in advance (see 14.8.6 Planning) in order to ensure that the individual and the team have as much notice as possible.
- Short term notice of VERA off (less than 6 hours) is to be minimised. VERA off at short notice will not be granted where minimum numbers do not allow. Failure to attend work in such cases will be noted as personal leave or absence without pay.
- Employees are to notify their shift by 1700 hours on the previous day if they intend to VERA on/off.
- In cases where Crews have planned to reduce their rostered numbers and unplanned absenteeism occurs at the start of the shift, the person is to be replaced by calling in the person from another team who has the relevant skills and owes the most VERA hours (ie is in debit). In the event that no one is in debit then the person with a zero balance or least in credit will be offered the VERA shift.

#### 14.8.6 Planning

##### Weekly Plan

Requirements for next seven (7) days period will be forecast once a week, at a time designated by the team. Peaks or troughs in workload will be highlighted.

Based on this weekly forecast, teams are required to forecast resources plan for the roster cycle.

Teams are required to update their resources plan every 24 hours.

#### 14.8.7 Administration

- VERA hours are to be recorded on a system to enable debit and credit balances to be maintained, and automatic settlement at the end of the designated settlement period.
- Teams are still required to keep paper records, which must be kept for 4 years (to satisfy audit requirements).
- Work outside normal hours on another shift must be documented by the individual, signed by that team facilitator (ie team facilitator when working) and handed to the individual's own team facilitator.

- Before shifts are rostered off, they should provide a list of volunteers and preference as to when individuals prefer to be asked to flex on using VERA.
- VERA arrangements may be granted to the individual the day before by ringing the Team Facilitator of the day.
- Each individual is responsible for completing form and delivering it to their shift's Team Facilitator when adjusting normal work times.
- Mutual swaps organised by individuals must be reported to respective Team Facilitators.

### **Exceptions**

- Exceptions to this arrangement can only be implemented on written arrangement by all parties.
- Applications to VERA off in the long term (two (2) weeks maximum in advance) may be approved by the team in quieter times provided there are enough members of the team available to work to meet operational requirements.

## **15 Appendix 5 Guidelines for Discretionary Sick Leave**

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The following are the guidelines for the introduction of discretionary sick leave as part of a broader redesign package for the products berth.

### **15.6 Principles**

- Assume people are genuine and are not going to abuse the system.
- Respect for people and their illness.
- Trying to let people continue with their "salary" when they are genuinely sick.

### **15.7 How Much Leave**

- Discretionary sick leave may be in any periods up to 3 month blocks (i.e. from 1 day through to 3 months).
- Each case will be treated on its merits.
- Any illness extending for 3 months or more will be treated as a long term illness.
- For long term illnesses the minimum period for genuine sick leave is 3 months.



- Maximum period of salary continuation for a long term illness is 7 months.
- The person will be reviewed on a 3 monthly basis between 3 months and 7 months to determine if discretionary sick leave should continue to be provided.
- Reviews will consider the following:
  - \* Previous Attendance (excellent attendance will be considered favourably, poor attendance or frequent single day absences will be considered less favourably).
  - \* Attitude toward success of the team and the business.
  - \* Length of service.
  - \* The recommendation from the person's team.
  - \* The person's entitlement under the "current" limited sick leave provisions.
- After any review if the discretionary sick leave is finalised the person will be on annual leave, long service leave, on leave without pay, retirement or termination of employment depending on prognosis.

#### **15.8 Eligibility**

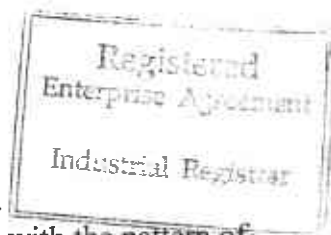
- As soon as starting in the Products Berth section an employee would become eligible to the discretionary sick leave arrangements.

#### **15.9 Employee Involvement/Obligations**

- To notify of illness prior to start of shift so team can decide on coverage needs.
- At time of notification person to inform of nature of illness, expected time off, and if it is a work related injury.
- 3 single day absences need only provide a Statutory Declaration.
- 2 days or more off in a row or more than 3 single day absences require a doctors certificate.
- If a person has more than 2 weeks off then they are required to visit the medical centre for clearance prior to returning to work.

#### **15.10 Team Involvement/Obligations**

- Team to manage sick leave issues.
- Team to determine if coverage of sick leave is required.
- If a person has too many absences or there is a problem with the pattern of absences then the team will sit down and discuss this with the individual.
- Rule need to be developed to determine how the team goes through this (part of teamwork).



### **15.11 Management Involvement/Obligations**

- Team will recommend to management if they need to become involved in an absenteeism issue at which point management will become involved.
- If the absenteeism issue is having a negative impact on a team or on other teams performances then management may seek to get involved to assist the team in getting the issue resolved.

### **15.12 Information**

- 3 monthly report to be printed off and provided to each team.
  - Absences need to be recorded in the On line Timekeeping system and Doctors certificates filed and kept for 7 years.
- 

