

**REGISTER OF
ENTERPRISE AGREEMENTS**

ENTERPRISE AGREEMENT NO: EA01/261

TITLE: Newcastle Port Corporation Enterprise Agreement 2001-2003

I.R.C. NO: 2001/5149

DATE APPROVED/COMMENCEMENT: 8 August 2001/1 January 2001

TERM: 36 Months

**NEW AGREEMENT OR
VARIATION:** New Replaces EA99/74

GAZETTAL REFERENCE: 7 September 2001

DATE TERMINATED:

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COVERAGE/DESCRIPTION OF EMPLOYEES: Applies to all employees employed by Newcastle Port Corporation with the exception of Marine Pilots and Senior Managers employed under contract

PARTIES: Newcastle Port Corporation -&- Australian Maritime Officers' Union of New South Wales Australian Services Union of N.S.W; The Association of Professional Engineers, Scientists and Managers, Australia (NSW Branch), The Seamen's Union of Australia, New South Wales Branch

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NEWCASTLE PORT CORPORATION

ENTERPRISE AGREEMENT 2001-2003

Registered
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1. TITLE

Newcastle Port Corporation Enterprise Agreement 2001-2003

2. PARTIES BOUND

The Parties bound by this Agreement are:

1. Newcastle Port Corporation
2. Australian Maritime Officers Union of New South Wales
3. Australian Services Union of New South Wales
4. APESMA
5. Seamens Union of Australia NSW Branch

And all NPC employees (with the exception of Marine Pilots and senior managers employed under contract).

3. PERIOD OF OPERATION

This Agreement shall come into effect from 1 January 2001 and remain in place until 31 December 2003. Negotiations for the following Agreement shall take place no later than three months prior to the expiry of the Agreement.

4. REPLACEMENT OF PREVIOUS AWARDS AND AGREEMENTS

The Agreement replaces the Newcastle Port Corporation Enterprise Agreement 1998-2000. The Agreement applies together with the New South Wales Port Corporations Award 1999 (Federal and State).

5. OBJECTIVES

The agreement provides a mechanism by which parties can jointly develop and promote the attainment of the business plan that will materially enhance the profitability and performance of the Corporation. This will be achieved in a safe, harmonious and environmentally conscious working environment.

The main objectives of the Corporation are the continuation of the highest standard of safe and efficient Port operations and the expansion and diversification of trade through the Port of Newcastle. The parties are committed to creating an environment that enhances job security and the continuing success of the Corporation's customers in conjunction with increasing shareholder value.

The provision of a safe and reliable delivery of services and general Port co-ordination functions, materially enhances the overall Port leadership role of the Corporation and resultant viability and profitability of the Port's customers and the general community.

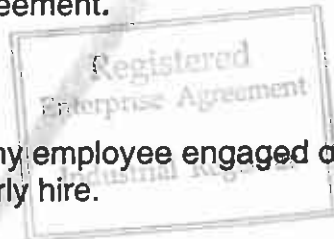
The Agreement continues an innovative mechanism which encourages, promotes and rewards professional performance and the achievement of continuous improvement in individual and organisation efficiency.

6. NO EXTRA CLAIMS COMMITMENT

The Parties to this Agreement agree not to pursue any additional claims for the life of the Agreement, with the exception of negotiating a new Agreement. The parties agree to review, and if necessary vary, the Awards to reflect minimum or test case standards as decided by the Commission during the life of this agreement.

7. DEFINITIONS

- a. "Casual Employee" shall mean any employee engaged on an irregular day-to-day basis on hourly hire.
- b. "Day Worker" shall mean any employee who is not engaged in shift work.
- c. "Employee" shall mean any persons engaged by the Corporation on a full time, casual, temporary or part-time basis, under the Act, but does not include any person who resigned or whose services were terminated prior to the date of operation of this Agreement.
- d. "Employer" shall mean the Newcastle Port Corporation.
- e. "Full-time Employee" shall mean any employee engaged on a regular basis for the full contract hours of this Agreement.
- f. "Industrial Action" shall be the definition contained within the NSW Industrial Relations Act.
- g. "Part-time Employee" shall in accordance with the Corporations Part-Time Work Policy, mean any employee engaged for set regular hours that are less than the full contract hours of this Agreement.
- h. "Shift Workers" shall mean employees engaged on a continuous shift roster.
- i. "Temporary Employee" shall mean any employee engaged in a position for a nominated period of more than one day, or for the



duration of a nominated project or activity which is limited in time.

- j. "Weekly Rate" shall be calculated by dividing the annualised salary by 52.17857.
- k. "Hourly Rate" shall be calculated by dividing the weekly rate by 38 or 35 depending upon the hours applicable to each classification prior to this agreement.
- l. "Contract Hours" shall mean thirty five (35) or thirty eight (38) hours per week.
- m. "Standard Day" shall mean one fifth of the contract hours whichever the case may be for an individual employee.
- n. "Additional hours" shall mean actual hours worked beyond the standard day, excluding periods of leave.
- o. "Union" shall mean the Australian Maritime Officers Union, the Australian Services Union, APESMA and the Seamens Union of Australia NSW Branch.

8. CONTRACT OF EMPLOYMENT

- a. For day workers, the ordinary hours of work shall be calculated on the basis of a 5 day week. Full-time and part-time employment shall be by the fortnight. Payment of salaries will be paid fortnightly by electronic funds transfer into a bank or other approved financial institution.

Casual employment shall be for the current period of hiring which may be set at a week, a day or an hour. The period of hire and the method for payment shall be clearly stated at the time of engaging casual labour. This will be a minimum of four hours.

- b. The Parties to this Agreement agree that work will continue to be performed. The Corporation will consider any unreasonable failure to meet this work requirement to be a refusal to perform duties and the NPC Discipline Policy will be followed in such instances.
- c. With the exception of casual employees and temporary employees, notice of termination of employment of a fortnight by an employee or the employer shall be given and paid. If the notice is worked out, the remuneration which would normally apply will be paid.

- d. Notwithstanding anything contained in this clause, the Corporation in accordance with the Corporations Discipline Policy and Guidelines, will have the right to dismiss any employee for misconduct or neglect of duty and, in such cases, salary will only be paid up to the time of dismissal.
- e. If an employee has given notice or the Corporation has given notice to an employee and the employee is absent from work during the period of notice, unless on approved leave, the employee will be deemed to have abandoned their employment. In such cases the Corporation will have the right to terminate the contract of employment from the last day worked.
- f. All employees are bound by the Code of Ethics and Standard of Conduct which will be jointly reviewed by the Parties during the life of the Agreement through the NPC Consultative Committee. This Agreement shall form part of an employee's contract of employment.
- g. Part-time employment – part-time employees shall be employed for a guaranteed minimum period of no less than 20% of the contract hours of a full time position. All leave accruals and separation entitlements of part-time employees shall be calculated and paid on a pro-rata basis of the full-time position at the full-time rate of pay.
- h. Casual employment – a casual employee for working ordinary time shall be paid per hour for the work performed plus 20% to cover Sick Leave, Annual Leave, and Public Holidays.

9. CLASSIFICATION – NPC GRADES

There shall be twenty NPC grades of employee. During the life of the Agreement the parties may agree to establish additional salary points at either end of the base salary structure to accommodate the creation of any unforeseen new positions.

It is the intention of Parties that all employees (other than Marine Pilots and Senior Managers employed under contract) shall be employed in an NPC Grade as contained in Clause 10 – Remuneration and shall have their conditions of employment prescribed by this Agreement.

10 REMUNERATION

10.1 Base Salary Structure

The following Base Salary structure shall apply to all employees covered by this Agreement from the first full pay period on or after 1 July 2001.

Base Salary Structure		Annual Rate - \$ per annum	
NPC Grade	Salary from FFPP 1 July 2001	Salary from FFPP 1 July 2002	Salary from FFPP 1 July 2003
	\$	\$	\$
1	24727	25469	26233
2	28095	28938	29806
3	30741	31663	32613
4	35692	36763	37866
5	37379	38500	39655
6	40188	41394	42636
7	42084	43347	44647
8	45245	46602	48000
9	47378	48799	50263
10	50931	52459	54033
11	53334	54934	56582
12	57338	59058	60830
13	60039	61840	63695
14	64541	66477	68471
15	67578	69605	71693
16	72643	74822	77067
17	76060	78342	80692
18	81757	84210	86736
19	84883	87429	90052
20	88078	90720	93442

10.2 Salaries

From the first full Pay Period on or after 1 July 2001, 2002, 2003 all existing salaries shall increase by an economic adjustment of 3%. The 2001-2002-2003 adjustments are contained in the table in sub-clause 10.1.

10.3 EBIT Performance Payments in 2001,2002

Employees not participating in a team or individual performance agreement shall be able to obtain a non-superable performance

payment in December 2001 and December 2002 for EBIT performance in 2001 and 2002 respectively.

The performance pay will be paid to full time, part-time and temporary employees employed by NPC during the period the payment applies to. Employees in this category who start or finish employment part way through each December to November period shall be paid a pro-rata amount of the 2 % performance payment. The payment will be pro-rated based on a qualifying minimum of 3 months employment during this performance period then 3 monthly increments up to the full 12 month period.

Payment for 2001 and 2002 will be 2% of the base salary plus working conditions that apply at the time of payment. There will be no payment for 2003. It is the endeavour of all parties to enter into the new IPMS schemes as scheduled in clause 10.5, however should implementation not be achieved in scheduled time frames then the EBIT performance payment will apply.

The payment of 2% per annum is based on projected EBIT outcomes for the financial years, which end June 2001 and 2002. The NPC Consultative Committee shall in October each year meet and review the publication of the Corporation's Financial Statements (including EBIT-Profit) for the previous year.

10.4 Exceptional Circumstances

Should there exist an exceptional circumstance which significantly decreases the NPC actual operating results then the Parties are at liberty to agree on a remuneration outcome using a different mechanism to that contained in this clause.

10.5 Team and Individual Performance Payments 2001, 2002, 2003

The aim of the introduction of this scheme is to take team and individual performance to a higher level and to be able to reward staff for performing at this level. It is more than "just doing your job" which is rewarded through the economic adjustment. Increases will be based on achievement of agreed to team and individual KPI's. The following schematic is indicative of the relationships between the position description and team and individual performance:

Do your job as described in the job description	Team Performance Scheme Organisation goals section goals = team KPIs
Economic adjustment 3%	
(2001/2)	0% - 4%
(2003)	0% - 5%

Do your job as described in the job description	Individual Performance Scheme Organisation goals Section goals Team goals = Individual KPIs
Economic adjustment 3%	
(2001/2)	0% - 8%
(2003)	0% - 10%



It is stressed that all staff are part of a team and those on individual performance agreements will have team based KPI's as part of their individual KPI agreement.

Performance outcomes will be based on the IPMS system as described in clause 11 and appendix B of this EBA. Staff filling positions graded OCR level 14 and above and AMOU members will participate in the individual performance payment scheme from the commencement of this EBA.

At the start of each PMS cycle staff may elect to participate in either team or individual schemes commencing no earlier than December 2001. The decision by staff to participate in the individual performance scheme shall be made in consultation with the staff members supervisor/manager and their Branch Manager.

If commencing in the team scheme staff may choose to move to the individual scheme however that shift cannot occur during a PMS cycle for which a team performance agreement has already been entered into i.e. The move to individual scheme is made in December. It is not the expected that staff will move from an individual to a team scheme.

Staff covered by the following unions will commence on the new schemes as follows:

- ASU - team or individual schemes from December 2001 (subject to agreement. Should agreement not be reached by December 2001 then staff filling positions graded levels 13 and below will be eligible to receive the EBIT bonus. This means participation in team or individual schemes will occur in December 2002)
- MUA – team or individual schemes from December 2002

Payment

Payment Date	2001 December	2002 December	2003 *December
Team performance bonus (at risk)		0 – 4% (av. 2%)	0 – 5% (av. 2.5%)
Individual performance bonus (at risk)	0 – 8% (av. 4%)	0 – 8% (av. 4 %)	0 – 10% (av. 5%)

Staff participating in team or individual performance payment schemes are not eligible to receive the EBIT performance payment.

Payments will be calculated on the OCR graded position base salary at the time of payment plus any applicable working conditions that apply at the time of payment, or on a pro-rata basis for those to whom applicable working conditions applied during any part of the performance assessment period.

Performance payments are superable only for staff on the individual performance scheme who are covered by accumulation super funds.

Following the Annual Performance assessment in November of each year the outcome of the Individual Performance Payment will be implemented.

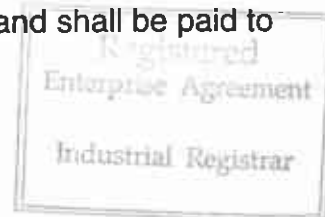
The individual Performance Payments will be paid as follows:

- Achieving all KPI's in Performance Agreement – average payment
- Achieving all KPI's and exceeding some or all KPI's in Performance Agreement – above average payment
- Achieving some KPI's – less than the average

10.6 Shift Loading and Penalty Allowance

The all inclusive shift loading, penalty and disabilities allowance, is expressed as a separate annual payment and shall be paid to eligible employees as follows:-

FFPP 1 July 2001	FFPP 1 July 2002	FFPP 1 July 2003	
\$ 16454	\$16948	\$17456	Port Officer
\$ 18883	\$19449	\$20032	Port Services Officer
\$ 17160	\$17675	\$18205	RDO Relief
\$ 18003	\$18543	\$19099	VTIC Superintendent



This allowance has been adjusted in the same manner as the base salary.

- 10.7** The applicable NPC Grade Base Salary, together with shift allowances and weekend penalties, where appropriate, will form the salary for superannuation purposes and for payment of all leave entitlements, including termination. Clause 10.5 details the superable conditions that apply to performance payments.

10.8 First Aid Allowance

This allowance is applicable to administrative staff who have been designated by management to perform first aid duties.

FFPP 1July -2001	FFPP 1July -2002	FFPP 1July -2003
\$512	\$527	\$543

This allowance has been adjusted in the same manner as the Base Salary.

- 10.9** Persons who commence with NPC or an employee who agrees to relieve in another position may initially receive a mutually agreed to percentage payment of that position depending on the

level of skill, extent of duties required to be performed and experience. The level of skill required will be determined by reference to a position description and competency profile. Port Officer Grade 2 are required to perform all additional short term shifts (less than one week) in their grade when permanent Port Officer relief staff are unavailable. In exceptional circumstances, Port Officers Grade 1 or 2 who are required to fill higher grade "command" designated positions shall receive payment for single shifts/days at the higher applicable rate.

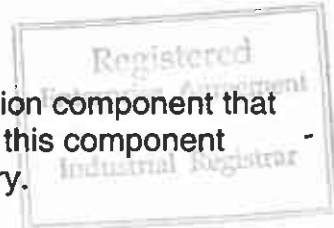
- 10.10 Traineeships and similar positions may be expressed as a percentage of NPC Grade Two level. The Corporation may utilise the National Training Wage Award or an equivalent set of pay and conditions for trainees engaged under such schemes.

The percentages for the various apprenticeship levels covering all trades is detailed below:

1 st Year	-	55%	2 nd Year	-	71%
3 rd Year	-	90%	4 th Year	-	104%

- 10.11 By agreement an employee may receive a salary package which may include, but not limited to, items such as aggregation of extra hours, motor vehicles etc. The "no net disadvantage principle" shall apply to all packages.

- 10.12 Employees who receive a working condition component that includes aggregated overtime shall have this component adjusted by movements in the base salary.



- 10.13 The deductions of union membership fees will continue to be a service offered to NPC employees, following a signed authorisation by the employee.
- 10.14 By formal agreement between the Corporation and the employee concerned, the employee may salary sacrifice to a complying superannuation scheme nominated by the employee, based on the NSW public sector guidelines.
- 10.15 Merit will be the process for promotion between levels.

11 NPC INTEGRATED PERFORMANCE MANAGEMENT SYSTEM (IPMS)

An integral element of the Agreement is the IPMS. The Corporation's overall performance represents the sum of each employee's team and individual performance and it's the objective of the parties to continue to improve performance which anticipates and effectively responds to

the challenges of business and customer needs in a competitive environment.

The IPMS itself is designed to enable all employees to jointly develop, agree, measure and achieve both team and individual Key Performance Indicators. These KPI's are directly related to the Corporation's Business Plan. Team and individual performance payments will be based on achievement of agreed KPI's contained in an employees Performance Agreement.

The IPMS shall be based on an annual cycle with a final performance appraisal conducted by November each year. The system shall contain appropriate safeguards to ensure fairness, equity and the consistent application of the IPMS throughout the Corporation.

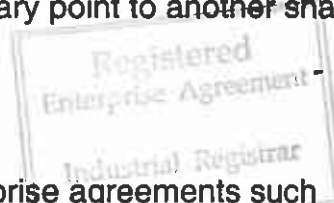
The IPMS also contains a professional development component whereby employees may acquire new skills to match emerging business needs.

If there has been a significant and demonstrable change to an employees skills resulting in the acquisition and performance of new competencies due to changed job/organisation requirements, which cannot be accommodated through increases arising from the PMS process, job evaluation will be activated.

The OCR job evaluation system will continue to be used to evaluate positions. Movement in positions from one salary point to another shall only be based on job evaluation.

The major principles of the IPMS shall include:

- a. Integrating elements of previous enterprise agreements such as performance, additional competencies, work redesign, skill development and job evaluation into a single comprehensive system that correlates with business needs.
- b. Establishing an annual performance appraisal cycle for individual employees consisting of a 6 month initial appraisal and a yearly appraisal by November each year. Agreed targets are established between the team or individual employee and supervisor that are aligned to the business plan.
- c. Creating and encouraging a supportive working environment in which the performance appraisals are conducted is the Corporations objective. It is the objective of all the parties to ensure that individuals and teams are fully supported to ensure the performance objectives are maximised.
- d. In the event that an employee feels aggrieved by the outcome of his/her annual Performance Appraisal Review the Supervisor's Manager will become involved in the resolution of the



issue/issues in dispute. If a dispute remains the Grievance Procedure contained in Appendix A shall apply.

- e. The Newcastle Port Corporation Consultative Committee shall discuss from time to time any significant changes proposed to the NPC IPMS system and any matters of concern from any party as to the application of the IPMS system.
- f. The ongoing success of the IPMS will be jointly reviewed on an annual basis by the parties to ensure continuing fairness, equity and consistency of the system.

12. HOURS OF WORK

Hours of work within this Agreement will be arranged to take into consideration the specific business needs of the NPC and where possible the work preferences of employees.

Starting and finishing times within the spread of hours detailed below shall be agreed between management and employees and/ or work teams.

Any changes to normal starting and finishing times, within the spread of hours, will be by agreement between management and employees and/ or work teams. Where agreement cannot be reached, the needs of the Corporation shall prevail.

The working of additional hours within the spread of hours will be by reasonable notice from management.

Overtime will be paid for work performed outside of the spread of hours detailed in sub-Clause 1(a)ii and 1(b)ii of this Clause or for work performed on a Saturday, Sunday or Public Holiday.

12.1 Ordinary Hours

The ordinary hours of employment shall be no more than 40 hours per week averaged over a 52 week period.

- (a) 35 Hours per week Employees
 - i) Hours of work will be an average of 35 hours per week over a cycle of four weeks. The contract hours shall be 140 for employees on a four week cycle.
 - ii) Ordinary hours worked on any one day (Monday to Friday) will be worked between 7:00am and 7:00pm.

iii) Ordinary hours will exclude the lunch break which will be a minimum of 30 minutes which may be taken, subject to operational requirements, between 12 noon and 2:00pm. Time taken for a lunch break will not count as hours worked.

(b) 38 Hour per week Employees

i) Hours of work will be an average of 38 hours per week over a cycle of four weeks. The contract hours shall be 152 for employees on a four week cycle.

ii) Ordinary hours worked on any one day (Monday to Friday) shall be worked between 6:00am and 6:00pm.

iii) Ordinary hours shall exclude the lunch break which will be a minimum of 30 minutes and may be taken, subject to operational requirements, between 11:00am and 2:00pm. Time taken for a lunch break will not count as hours worked.

12.2 Additional Hours

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At the end of each cycle, hours worked in addition to the contract hours will be taken, at a mutually convenient time, as time off in lieu. Additional hours accrued at the end of each cycle may be carried over to the next cycle by mutual agreement. In circumstances where operational requirement do not allow for time off in lieu, payment at ordinary time may be made.

Hours worked in addition to the contract hours in excess of 16 hours in a four week cycle will be paid at overtime rates or alternatively, by agreement, taken as time off in lieu.

Employees other than Day Workers

The ordinary hours of employment shall be no more than 40 hours per week averaged over a 52 week period.

12.3 Employees Previously Covered by the MSB (Marine and Port Services) Award

The ordinary hours of employment shall be no more than 40 hours per week averaged over a 52 week period.

The provisions for hours of work for employees/positions previously covered by the MSB (Marine and Port Services) Award and the MSB Enterprise Agreement will remain.

(a) Additional Hours

Necessary overtime required to be worked because of shift rosters and additional hours to meet work demands has been fully comprehended in the aggregate wage.

- i) The Aggregate wage/ overtime principle is based on the original Marine and Ports Service Award.
- ii) All short term reliefs of less than a week for sick leave, other absences, training, RDO's, etc are to be filled, if required, from the same grade and from within the same work area. As a first preference, available day relief staff should be utilised. Alternatively, employees may be required to work the following day or return to work early during their rostered off periods to ensure continuous port operations. Short term relief within the grade should be shared evenly between the remaining Port Officers to avoid the need where ever possible, for an individual Port Officer to work more than one additional shift in a week.
- iii) Working of additional hours outside the normal roster pattern or day work hours shall be shared evenly between employees. Employees may be required to undertake training outside of work hours.
- iv) RDOs are required to be taken at a mutually convenient time and within a month of being accrued. In exceptional circumstances, employees may apply to their manager for a leave credit if the RDO cannot be taken.
- v) Annual leave rosters are required to be maintained and applied to all employees under this sub Clause to avoid unnecessary overlapping of leave.
- vi) Port Officers Grade 2 shall cover their own short term reliefs.

No separate payment or time off in lieu shall be made for additional hours worked.

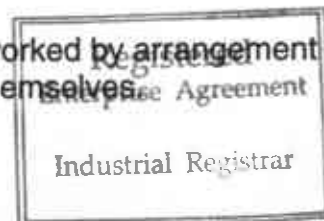
Where additional hours are required and are considered by the employee concerned to be excessive, the work will be performed and such grievance pursued in accordance with the Grievance and Dispute Resolution Procedures as detailed in Appendix A.

- (b) Additional Hours shall be performed as required by the appropriate supervisor of the NPC, however an exhaustion break shall apply after eighteen continuous hours inclusive of meal breaks in all circumstances.

An employee who works so many additional hours between the termination of work on one day and the commencement of work on the next day that the employee has not had at least ten consecutive hours off duty between those times, shall, subject to this sub Clause, be released after completion of such additional hours until that employee has had ten consecutive hours off duty without loss of pay for ordinary working time occurring during such absence.

The provision of the above sub Clause shall apply in the case of shift workers as if eight hours were substituted for ten hours when additional hours are worked,

- i) for the purpose of changing shift rosters; or
- ii) where a shift worker does not report for duty and a shift worker is required to replace such shift worker; or
- iii) where a shift is worked by arrangement between the employees themselves



13. OVERTIME

The following overtime provisions will apply to employees who work overtime as described in Clause 12 Hours of Work.

- (a) **35 Hours per week Employees**

For overtime worked Monday to Saturday at the rate of time and one half for the first two hours and double time thereafter.

For overtime worked on a Sunday, at the rate of double time.

For overtime worked on a Public Holiday, at the rate of double time and one half in addition to the normal remuneration for that day.

(b) 38 Hours per week Employees

For overtime worked Monday to Saturday, at the rate of double time.

For overtime worked on a Sunday, at the rate of double time and one half.

For overtime worked on a Public Holiday, at the rate of double time and one half.

(c) Meal Allowance

Employees required to work for 1 hour beyond the spread of hours Monday to Friday or beyond 12.30pm on Saturdays, Sundays and Public Holidays will be entitled to a paid meal. This payment will be agreed to the "reasonable amount" determined from time to time and applied by the Australian Taxation Office.

(d) Call Out

Employees recalled to work overtime will be entitled to a minimum of four hours overtime for such work.

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14. LEAVE

The provisions of this Clause are subject to the requirements of the NSW Annual Leave Act 1944 and the NSW Long Service Leave Act 1955.

a. Annual Leave

Day workers shall be entitled to four (4) weeks annual leave per year and shift workers five (5) weeks.

b. Long Service Leave

Employees are entitle to Long Service Leave as follows:-

Period of Service	Accrual
After ten years of service	44 working days
For every further completed year of service	11 working days

Leave Without Pay does not count for service for the purpose of Long Service Leave.

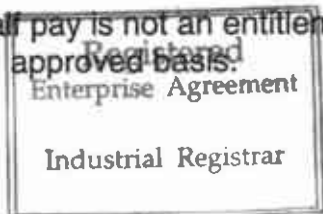
If a twelve (12) hour shift falls on a Public Holiday during a period of Annual Leave or Long Service Leave the employee is to be debited one half day Annual Leave or Long Service Leave only, for that day.

Employees engaged on 12 hour continuous shift work shall be debited annual leave or long service leave at the rate of 1 ½ days leave for each ordinary 12 hours shift they would have worked according to the normal roster had they not been on annual leave or long service leave.

Employees engaged on Day Work will be debited for each working day absent exclusive of Public Holidays.

Salary will be paid at the rate specified in accordance with the Long Service Leave Act.

The taking of accrued leave on half pay is not an entitlement but a concession available only on an approved basis.



c. Public Holidays

- i The following days or the days upon which they are observed shall be Holidays, viz New Years Day, Australia Day, Newcastle Show Day, Good Friday, Easter Saturday, Easter Monday, Anzac Day, Queen's Birthday, National Aboriginal Day (for Aboriginal employees), Labour Day, Christmas Day, Boxing Day and all other days which may be gazetted as public holidays throughout the State.
- ii Subject to the provisions of subclause (iii) of this Clause there shall be no deduction of pay for public holidays not worked.
- iii Employees who absent themselves from duty without approval from a delegated manager on the working day

prior to and/ or the working day following any Public Holiday shall not be entitled to receive payment for such holiday.

d. Leave Without Pay

An employee wishing to take a period of Leave Without Pay shall make application to their supervisor specifying the reasons for such Leave and the period of leave proposed. Leave Without Pay shall only be granted if business needs can be accommodated during the period of Leave proposed.

Annual Leave and Long Service Leave shall not accrue during periods of Leave Without Pay.

In the case of superannuated employees, periods of Leave Without Pay in excess of six months may only be granted if satisfactory arrangements are made for the employee to pay their own superannuation contributions as well as the NPC's liability, for the whole of the period of Leave Without Pay.

e. Sick Leave

The minimum standard for Sick Leave is one week on full pay for each year of service, cumulative on a 3 years to date basis.

Where illness occurs, Sick Leave may be available as required. Each individual case shall be reviewed in accordance with the following procedures:-

It is an employee's responsibility to report their inability to attend work in order to qualify for payment.

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Where an employee is unable to report to work through illness, this will be reported to the supervisor/ team leader within one hour of the normal commencement time. In the case of Shift Workers, where practical, notification will be made prior to the finish of the previous shift. Approval for payment of Sick Leave will be made by the delegated manager.

Documented medical evidence and/ or a medical examination by a medical practitioner will be necessary where required by the NPC.

In the case of long term illness, the continuation of paid Sick Leave will be determined on a case by case basis.

Subject to the approval of the Chief Executive, upon the production of medical evidence, an employee suffering serious long term or terminal illness may be granted sick leave.

- a) In this case where there is a prospect of the employee returning to duty this situation will be monitored and reviewed on a regular basis.
- b) In the case where the employee has no prospect of returning to work owing to the nature of the illness up until the acceptance of disability retirement liability by the State Superannuation Board or Department of Social Security.

f. Family and Special Leave

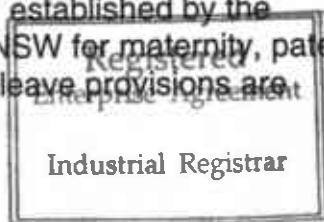
Paid Leave may be provided for employees to arrange or provide for unforeseen short term care for sick or injured dependent family members. Genuine personal and emergency situations may also arise where an employee requires time off work such as flood, bereavement, etc..

Each individual claim will be determined on a case by case basis. Leave for such purposes of up to 5 days per calendar year may be granted by the relevant delegated manager.

The Chief Executive Officer may approve extended special leave in extenuating circumstances.

7. Parental Leave

The Parties may jointly agree on a set of conditions that meet or may exceed the minimum standards established by the Industrial Relations Commission of NSW for maternity, paternity and child adoption leave. Maternity leave provisions are detailed in the Corporation's Policy.



8. Trade Union Training Leave

Paid leave may be granted up to a maximum of 12 days in any period of two years to an employee to attend short trade union training courses or seminars conducted by or with the support of the ACTU and accredited training school, on the following conditions:-

- a) That operating requirements permit the granting of leave.
- b) That the scope, content and level of the short course are such as to contribute to a better understanding of employee relations and be of benefit to the Corporation as a whole.

- c) Leave granted for trade union training will count as service for all purposes.
- d) Expenses associated with attendance at such courses or seminars will be met by the employee concerned but leave may include travelling time necessarily required during working hours to attend such courses or seminars.
- e) Applications for leave must be accompanied by a statement from the union that it has nominated the employee concerned for such course or seminar and supports the application.

15. CONSULTATION

The Parties acknowledge the significance of the Port of Newcastle's contribution to the economy of the City, Region and Nation. The parties agree that the provision of all Corporation services will continue to be supplied without delay or disruption.

The Parties shall continue to consult in a positive fashion to identify and implement continuous improvements that enhance the Port's services and value to customers. This may include jointly agreed variations to the Agreement.

Any differences that may arise as to the definition and application of this Agreement or other industrial matters or grievances shall be resolved amicably through the normal processes of ongoing consultation such as the NPC Consultative Committee and other established grievance and dispute procedures in Appendix A. Normal work shall continue until the matter is resolved through consultation, discussion or, if necessary, mediation or the assistance of the Industrial Relations Commission of NSW or another third party jointly agreed to.

The operation of this Clause is critical to the successful attainment of the Objectives of the Agreement. It provides the Parties with an unprecedented level of co-operation and stability which materially enhances the International trading reputation of the Port of Newcastle and provides a sound platform to successfully introduce productivity improvements.

Newcastle Port Corporation Consultative Committee

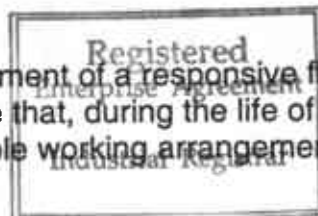
The Newcastle Port Corporation Consultative Committee shall be chaired by the Chief Executive Officer.

The Newcastle Port Corporation Consultative Committee shall comprise representatives from management, an official of the AMOU, SUA and ASU, and staff representatives and shall meet at least once in each 4 months including a meeting following the publication of the Corporation's Financial Statements.

The terms of reference of the NPC Consultative Committee shall be based on the principle of open and honest discussion and shall include (a) the sharing of information (b) a monitoring of the Corporation's business performance so as to keep staff informed (c) continuous improvement initiatives (d) monitoring and discussing the implementation of the Enterprise Agreement (e) regularly receiving and discussing the published reports of the Corporation such as the Audited Profit, the Annual Report, the published Business Plan and Statement of Corporate Intent (f) continuous improvement in Occupational Health and Safety matters (g) organisational change (h) monitoring and review by the parties of the Integrated Performance Management System. The NPC Consultative Committee shall in November each year meet and review the publication of the Corporation's Financial Statements (including EBIT – Profit) for the previous year.

16. WORK ENVIRONMENT

The Parties are committed to the development of a responsive flexible workplace. To this end, the Parties agree that, during the life of the agreement, investigations into more flexible working arrangements such as working from home will be made.



The Parties also acknowledge the importance of maintaining a workplace that is safe and free from the adverse consequences of drugs and alcohol and implement appropriate measures to ensure this.

a. Risk Management

The Parties acknowledge that the provision of a risk free working environment is a responsibility of all Parties.

Every employee shall be responsible for occupational health and safety and environmental control. This responsibility is an implicit item in all positions. Supervisors play a key role in ensuring the ongoing success of the Corporation's Safety and Environmental Policies.

b. Equality of Employment and Elimination of Discrimination

The Parties are committed to providing a work environment which promotes the achievement of equality and elimination of discrimination and harassment in employment.

c. Employee Assistance

To assist all employees and their families, the Corporation shall make available to all its employees and families a confidential Employee Assistance Program (EAP) service.

17. PERSONNEL POLICY

Any changes to the Newcastle Port Corporation Personnel Policies or any proposed new policies shall be reviewed by the parties in the Newcastle Port Corporation Consultative Committee. If agreement is not reached on such changes the NPC Dispute Resolution Procedures shall apply.

18. DURATION/ OPERATION RENEGOTIATION OF THE AGREEMENT

The Agreement shall remain in force until December 2003 after which time it may continue to be adopted with the consent of all Parties. Negotiation of the next Agreement shall commence no later than three months prior to the expiry of this Agreement. If agreement in principle is not reached by the end of November 2003 for a new agreement the Parties shall agree to introduce a mediator/facilitator to assist in reaching a conclusion by the end of December 2003.

19. EMPLOYMENT SECURITY

19.1 A critical element of this Agreement is the employment security clause. It is acknowledged by the Parties that employment security is a key foundation upon which cultural and attitude change can be affected. The provision of this Clause that provides for employment security for the life of the Agreement is dependent upon on-going demonstrated commitment to continuous improvement and continuing adherence to the Disputes Resolution procedures contained within this Agreement.

19.2 A process of continuous improvement will be adopted in consultation with the Parties to assess the relevance of all NPC activities and to improve the quality, range, and value of its services to all customers. It is essential that the Corporation and its staff have the flexibility to respond to change identified by this process of continuous improvement.

For the term of this Agreement, if for any business reasons, there is a requirement to reduce staff numbers in some areas or change organisational structures and positions to effect improvement, such reductions or changes will only be effected by consultation between the Parties, through natural attrition (retirements/ resignations), transfers, redeployment or, as a last

resort, voluntary redundancy, in accordance with the NPC policy and Government policy and guidelines.

All permanent full time or part time employees of NPC at the time of signing of this Agreement will have security of employment for the term of the agreement. This undertaking extends to employees rather than positions.

Following consultation with the Parties, any employee whose job changes substantially or is deleted during the term of this Agreement may be offered transfer or redeployment into another position in accordance with the provisions of Clause 19.4 of this Agreement. This undertaking will not have any effect on the process of performance or disciplinary matters which are pursued separately.

Where future business needs cannot be matched through employment growth in certain areas or by natural attrition, the Parties reserve the right to re-negotiate this Clause in respect of matters pertaining to redeployment, salary maintenance and offers of voluntary redundancies, if they are contemplated.

Voluntary Redundancy

- 19.3 Employees who become supernumerary as a result of restructuring or organisational change may access the retraining and support services available through the State Government's Job Assist Scheme.

Where an employee accepts an offer of voluntary redundancy they are entitled to the New South Wales Government Voluntary Redundancy Package, current at the time of redundancy.

- 19.4 Consultation will take place on an ongoing basis with employees and unions regarding restructuring and the process to be used. The Parties agree that restructuring will be an ongoing requirement in the interest of achieving greater efficiencies and heightened effectiveness. It will result from a variety of factors including, but not limited to, continuous improvement as part of quality management initiatives Government's service competition policy.

Where as a result of restructuring, the position requirements and remuneration level of the job remain substantially the same, other than its reporting relationships, then the incumbent will follow the job.

Where as a result of restructuring, a position is created which did not have an equivalent in the old structure, or it is so

different that it is clearly a new position, the following order of filling the vacancy will occur.

- (a) redeployment or transfer of a supernumerary employee where the employee's substantive or personal salary is greater than the salary for the position and the competencies required for the position are held by the employee or where there is a competency shortfall the requirements can be made up within a reasonable period. Salary maintenance at the higher level will be maintained for the period stipulated in the Government's policy of the day, currently 12 months, after which it will be set at the substantive level of the position. However in recognition that there may be special circumstances which warrant a change to this provision, the Parties to this Agreement reserve the right to renegotiate the length of salary maintenance.
- (b) Transfer of supernumary employees where the employees substantive or personal salary is the same as the salary for the position and the competencies required for the position are held by the employee or where there is a competency shortfall the requirement can be made up within a reasonable period;
- (c) Where there are two or more employees to be considered for redeployment or transfer the employee appointed will be determined on merit at interview.
- (d) Where there is no unattached employee available for transfer or redeployment the position will be filled by advertising the position and filling the vacancy on merit.

19.5 In accordance with (a) above, employees shall maintain their personal salary exclusive of all payments such as shift allowances and additional hours/aggregated payments where no longer applicable, for twelve months. The continuation of the personal salary in such cases is dependent upon the full commitment of all parties to scheduling the undertaking of new duties or training to ensure their new duties equate as much as possible with their personal salary.

Dated this dayof June 2001

Cyler Oakley
.....
For and on behalf of the Newcastle Port Corporation

Michael Fleming 5 July 2001
.....
For and on behalf of the
Australian Maritime Officers Union of New South Wales

[Signature] 25 July 2001
For and on behalf of the
Australian Services Union of New South Wales



[Signature]
For and on behalf of the
Seamens Union of Australia New South Wales Branch

[Signature] 5 July 2001
.....
For and on behalf of the
Association of Professional Engineers, Scientists and
Managers Australia (New South Wales Branch)

Grievance Handling And Dispute Resolution Procedures

Objectives of the Guidelines

To create an environment where grievances and disputes are identified, heard and resolved without any recourse to industrial action, and to ensure that grievances and disputes are solved fairly and promptly in a consistent manner. Also to empower employees, supervisors and managers to resolve grievances as close to the source of complaint as possible.

The industrial reputation of the Port of Newcastle is of critical importance in ensuring its international competitiveness. It is incumbent upon all Parties of this Agreement to ensure the continuity of the Corporation's services at all times.

What is a GRIEVANCE?

A GRIEVANCE is a personal complaint or difficulty. It is any work related matter which is causing an employee distress or concern. For example, a grievance may relate to a perceived lack of training opportunity or being denied leave. It may also involve suspected discrimination or harassment against an employee.

What is a DISPUTE?

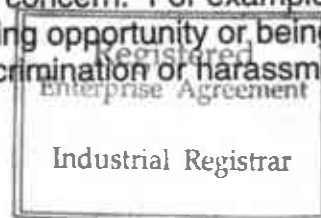
A DISPUTE generally refers to a complaint or difficulty which affects more than one employee. The dispute procedure provides the mechanism to resolve a dispute and prevent industrial action occurs. For example, a decision which changes the working conditions of a group of employees within a work area may become a dispute.

Grievance Handling Procedures

I have a grievance, what can I do about it?

Think about what is causing your distress or concern and tell the person responsible what you want to happen to resolve the matter or, if it is some form of harassment or discrimination, to stop it.

Don't keep problems to yourself if it is continuing to upset you. Small problems if left unattended often become major ones that may affect your health, self-esteem or self-confidence.



Keep a record of what has happened, with times, dates and witnesses, (if any), as well as how you felt.

If the situation doesn't improve then you should tell the person involved that unless it is resolved you will need to seek the assistance of someone else to help you.

Who can help me?

A work colleague, your supervisor, the contact for your Employee Assistance Program, your union delegate, the Employee Relations Branch, or a Spokeswoman.

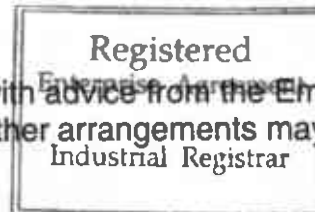
How can my supervisor help me?

If you have a complaint you should raise it with your supervisor. You have a right to be supported and to have your grievance resolved. You may have a union delegate present when you make your grievance known to your supervisor and at any point in the procedure. A friend or interpreter may accompany you if you wish. The NPC will also arrange and pay for the cost of an interpreter, if necessary. It is important for you to speak for yourself, with the support you feel will be of assistance.

Your grievance may be resolved within the area in which the grievance occurred and by your direct supervisor in many cases. The next section shows the steps to be taken to resolve your complaint.

Throughout all steps, normal work should continue unless there is a proven health or safety risk.

If such a risk is present the Branch Manager, with advice from the Employee Relations Manager should be notified so that other arrangements may be made.



Your supervisor should listen with an open mind, gather all relevant facts and act promptly and fairly taking a consistent approach. The supervisor should follow up to ensure that the correct action has been taken and the cause of the grievance properly addressed.

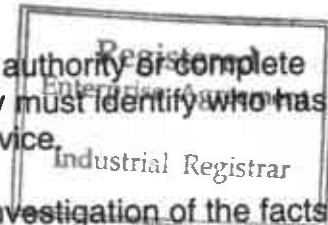
If you cannot approach your direct supervisor because the grievance concerns your supervisor, you should speak with their Manager or your Employee Relations Manager.

Suggested Steps to be followed in resolving a Grievance

- Step 1** Ask for assistance or advice from specialist Employee Relations personnel, if necessary. This advice may be regarding these procedures or how to deal with EEO target group issues. Remember, your supervisor is responsible for ensuring that the grievance is addressed quickly and fairly. You should be aware

that your Supervisor or Manager must take immediate action if dangerous, criminal or other illegal activity is involved. This will involve informing the Employee Relations Manager immediately. You may refer the grievance to your union at any time.

- Step 2 Your Supervisor should listen with open mind. Be patient and ask questions to obtain a better understanding of the situation. A joint problem-solving approach and avoiding a "them and us" attitude should be followed. The process must be impartial and ensure that it is not diminished by preconceived opinions.
- Step 3 Your supervisor should obtain all the facts from you and the person against whom the complaint is made. The allegation should be put to the person(s) concerned and a response sought. A distinction between facts and opinions should be made and any other information that's relevant should be collected, consulting records and policies if necessary. Any information that your supervisor gathers should be kept in a secure place until the matter is resolved.
- Step 4 Your supervisor should act promptly and fairly. Your supervisor, in consultation with yourself must set reasonable deadlines in which to deal with the grievance.
- Step 5 If your supervisor does not have the authority or complete information to resolve the issue, they must identify who has, and with your agreement seek further advice.
- Step 6 Your supervisor must complete an investigation of the facts and consider all view points.
- Step 7 After a decision is made your supervisor must advise you and others involved of internal and external avenues that can be used if you are not happy with the decision. Your supervisor must ensure that agreed corrective action has been taken and causes addressed.
- Step 8 If your supervisor is unable to resolve the matter directly between the Parties then the next line of manager may be contacted, if you wish. A reasonable amount of time for this should be allowed to deal with the matter.
- Step 9 If this manager is unable to resolve the issue, it should be directed to the Chief Executive who then becomes responsible for resolving the grievance.
- Step 10 If the Parties agree it may be referred to an independent mediator/arbitrator to be resolved.



Will it be confidential?

Yes. Your supervisor will not discuss the grievance with another person without your agreement. Any necessary discussion of your grievance among relevant managers will remain confidential.

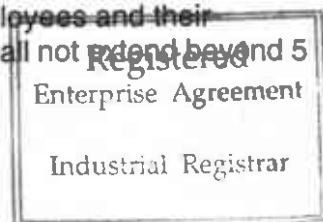
Dispute Resolution Procedures

In the event of any disagreement between the Parties as to the interpretation or implementation of the Enterprise Agreement or any other industrial matter every effort shall be made to settle the dispute. The following procedures shall apply:

- STAGE 1:** The matter is to be discussed by the employees concerned (where appropriate) and their immediate supervisor in the first instance. Employees may consult with or be represented by a union delegate.
- STAGE 2:** If the matter is not resolved it shall be referred to a union representative and the appropriate Branch Manager who shall arrange a conference of the Parties to discuss the matter.
- STAGE 3:** If the matter remains unresolved it shall be referred to the Union Secretary and the Chief Executive (and/ or their nominees) for discussion and appropriate action.
- STAGE 4:** If the matter is not resolved then it may be referred by either party to the NSW Industrial Relations Commission or another third party jointly agreed to.

The following procedure is to be completed in accordance with the following time frame unless the Parties agree otherwise:

- STAGE 1:** Discussions should take place between the employees and their supervisor within 24 hours and the procedure shall not extend beyond 5 working days.
- STAGE 2:** Not to exceed 5 working days.
- STAGE 3:** Not to exceed 7 working days.



In the terms of the dispute settling powers of the NSW Industrial Relations Act the NSW Industrial Relations Commission is empowered by this Agreement to settle and determine any matters in dispute.

While any dispute is being resolved, normal work is to continue without resort to any form of industrial action. The status quo existing before the emergence of a dispute is to continue whilst the procedure is being followed. No party shall be prejudiced as to the final settlement by the continuation of work.

Nothing in this procedure shall prevent the union and NPC from taking any positive action considered conducive to resolving matters in dispute.

**Newcastle Port Corporation
Integrated Performance Management System (IPMS)**

Purpose and Objectives:

- Improve the productivity of NPC by identifying clear team or individual performance targets which will assist NPC to achieve Business Plan Objectives.
- Enhance team and individual performance and career development for employees by identifying options for development and training where appropriate.
- To provide a fair, equitable and objective basis for giving feedback when reviewing employee performance.
- Create a more satisfying work environment through the recognition that employees perform better when they have a clear understanding of performance requirements and are given guidance and regular feedback about their performance.
- To provide the basis for team and individual performance payments

The Process:

Stage 1 – Corporate Business Plan Alignment

- Identify Branch Key Performance Indicators.
- Identify interrelation of Branch KPI's with other Branches and external customers.
- Communicate Branch Business Plan to Sections.



Stage 2 – Performance Agreement

- In December of each year the employee and the supervisor shall reach agreement on the team/individual performance agreement.
- Identify, develop and agree on KPI's that are linked to the Corporate Business plan and support achievement of successful outcomes for other Branches and Sections. These targets will be set to enhance team and individual performance.

- Team and individual performance payments provide payment for achievement of agreed KPI's at this level. Performance payments recognise performance in excess of "just doing your job".
- KPI's will be quantitative or qualitative (that is, can be measurable or subjective eg teamwork)
- Discuss with the supervisor team and individual employees training and career path enhancement needs necessary to assist achievement of PMS.

Stage 3 – Performance Review (6 monthly)

- There will be at least two formal reviews, one initial review around June each year with a final review in November each year.
- Coaching and feedback occur continuously throughout the review period. All employees should receive open, fair and constructive feedback and guidance on an ongoing basis throughout the year, however this is a more formal review with an interview between the supervisor and the employee.
- Employee may use the Self Assessment Form to support their performance over the last six monthly review period.
- Employee training and career path enhancement will be reviewed by the employee and supervisor and where necessary changed and new goals set.
- Team and individual performance is reviewed with the supervisor against agreed KPI's and if necessary new or changed KPI's will be agreed to, established and documented.
- Around November each year an annual performance review meeting will be held, where performance assessment is determined.

The focus of the reviews will be to:

- Provide feedback to the team and individual employee on performance against agreed KPI's.
- Recognise and record achievements, including participation in development programs.
- Discuss and resolve problems with achievement of reaching agreed targets, including the identification of any areas requiring further training and development.



- Provide feedback to the supervisor on the manner in which they are assisting the team and individual employee to achieve agreed targets or performance levels.
- Provide an opportunity for employees to consider the direction of their career and identify development activities that may be appropriate.

The process is designed to be a two way communication process with both the team and individual employee and supervisor signing off the performance review forms.

Grievance Process:

Where a difference of views exist at the end of a review meeting, it is recommended that a second review meeting be held within the next fortnight.

If differences remain unresolved the Supervisor's Manager should become involved to resolve the issue/issues in dispute. In the event that an employee feels aggrieved by the outcome of his/her annual Performance Appraisal Review the Supervisor's Manager will become involved in the resolution of the issue/issues and if still unresolved then the Grievance Procedure contained in Appendix shall apply.

Privacy and Confidentiality:

Progress reviews will be treated as strictly confidential. The documentation will be kept on the employee's personal files and access will be restricted to the employee, the reviewer, the relevant Branch Manager and the CEO.

