

**REGISTER OF
ENTERPRISE AGREEMENTS**

ENTERPRISE AGREEMENT NO: EA04/219

TITLE: BHP Steel (AI&S) Pty Ltd Port Kembla Warehouse Workplace Agreement 2003

I.R.C. NO: IRC4/4101

DATE APPROVED/COMMENCEMENT: 22 July 2004/1 July 2003

TERM: 24 months

**NEW AGREEMENT OR
VARIATION:** New

GAZETTAL REFERENCE: 20 August 2004

DATE TERMINATED:

NUMBER OF PAGES: 20

COVERAGE/DESCRIPTION OF

EMPLOYEES: The agreement applies to all employees of BHP Steel (AIS) Pty Ltd, PO Box 1854 Wollongong, who perform work within the CRM and Stainless Warehouses and who fall within the coverage of the BHP Steel (AIS) Pty Ltd - Port Kembla Steelworks Employees Award 2000 & BHP Port Kembla Operations EA 2002

PARTIES: Bluescope Steel Limited -&- The Australian Workers' Union, New South Wales

BHP STEEL (AIS) PTY LTD PORT KEMBLA WAREHOUSE ENTERPRISE AGREEMENT 2003

Arrangement

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1. Title

This agreement shall be referred to as the "BHP Steel (AI&S) Pty Ltd Port Kembla Warehouse Workplace Agreement 2003" (the "Agreement").

2. Parties to the Agreement

The parties to this agreement are:

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

3. Application

3.1 This Agreement applies to all employees employed by the Company who are engaged in warehouse classifications as set out in this Agreement and perform work within the CRM and Stainless Warehouses and such employees are covered by the terms and conditions of the Award set out under clause 3.2.1.

3.2 This Agreement must be read in conjunction with the:

3.2.1 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"); and

3.2.2 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

4. Purpose of This Agreement

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 Warehouses.

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 Warehouses a world-class operation.

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

5. Direction

The new team system of work has been developed to support the business directions of the Warehouse 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 recognise 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 should be in line with BHP Steel's target and seek to achieve zero harm

We will achieve productivity and cost targets as set by the business

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 Warehouse 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 Warehouse are:

Safety

Job Satisfaction

One United Voice

Job Security

Successful Business

Honesty & Trust

Costs

Quality Of Life

6. Benchmarking & Continuous Improvement

The Warehouse's focus in Port Kembla is on duties associated with the receiving handling, storage and dispatching of steel cargo, crane and forklift driving, warehousing, and all other duties associated with the movement of BHP Steel's cargo. The future of the section, and the Warehouse employees, is inextricably linked to the ongoing capacity of BHP Steel to be competitive in all the markets in which it operates. The role of the Warehouses 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 the competitive markets in which we operate

In order to assess the Port Kembla warehouses 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.

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 warehousing operations which prohibit the achievement of the agreed safety, quality, cost and productivity levels.

Identify, agree and implement a process and strategies for the elimination of the factors which impinge on the warehouse operations achieving the points identified above; and

Implementation of identified and agreed between the parties processes and strategies.

7. The Work Team

The key approach to implementing the values on the Warehouse is the change in focus from individual work system issues to a situation where individuals adopt a team approach to work.

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 Warehouse 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 Warehouse. 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 objectives, mission and goals.

8. Duties

The duties of Warehouse employees in the following classifications shall include, but not be limited to, the duties outlined below. New entrants to the Warehouse must reach the levels of competence described in Operator 2.

8.1 New Entrant

This is a trainee position. The New Entrant will remain at this level for period of 3 months and will be expected to have met all training requirements and certificates applicable to this level.

A New Entrant will be required to train and perform a wide range of general duties and assisting the supervisor as directed. These duties may include cleaning and other duties incidental to the position.

Employees will be required to carry out these functions in a manner, which meets their obligations under safety and environmental laws. The employee will be expected to take appropriate action in relation to safety and environmental hazards within his training and skill level. This includes the requirement to carry out safety audits to identify hazards and intervening to prevent safety incidents.

At all times the employee is to comply with the Company's safety standards, policies and procedures.

If a New Entrant fails to successfully complete the training required within the specified period (i.e. 3 months), 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 regards to the employees suitability for continued employment.

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

8.2 Operator Level 1

It is acknowledged that to achieve this level will be able to utilise all skills and perform all the duties required of an operator at new entrant level.

An Operator Level 1 is capable and available to perform all the duties associated with warehouse duties together with, but not limited to, duties of:

Forklift driving;

Pendant and overhead crane driving;

Basic computer skills and quality;

Advise supervisor of any deficiency in equipment, is also able to take appropriate action to ensure machinery problems are rectified;

Inspect all equipment that is used.

Progression to this higher level will be required to carry out these functions in a manner, which meets their obligations under safety and environmental laws. The employee will also be required to meet all company safety standards, policies and procedures.

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

Employees will also be required to perform any other duties as directed by the Manager that is within the employee's skill and competence.

8.3 Operator Level 2

An Operator Level 2 must have satisfactorily completed all duties at Level 1 for a period of at least 6 months and be willing and able to apply all skills acquired as a level 1 Operator and must also be able to competently perform all of the following duties:

requiring an intimate knowledge of OTIS enabling the effective management of product into and out of the various receival and despatch points to produce and complete required paper work;

checking driver passports for the correct induction; and

can competently be responsible for indirect supervision and is responsible for the coordination of work at their location.

If assistance is required then the supervisor will be available.

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.

Employees will also be required to perform any other duties as directed by the Manager that is within the employee's skill and competence.

Movement to higher classification of operator 3 / facilitator will be subject to operational requirements. Any such decision to appoint to a higher classification will be through a selection process and appointment will be on merit.

8.4 Operator Level 3 / Facilitator

The parties agree that during the life of this Agreement that there be further discussion with regards to the development and implementation of an classification definition for Operator level 3 / Facilitator.

9. Conditions of Employment

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, weekend 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 all penalties and allowances that is currently applying in the Warehouse Section that have been incorporated in the calculation of the annualised salary.

9.2 Rates applicable from date of registration

The following tables outline annualised and base salaries for each classification at the CRM Warehouse effective from the first full pay period after 1 July 2003.

Annualised Salaries

Classification	Annualised Salary	Weekly Salary Payment	Hourly Salary Rate
New Entrant (Day Work)	\$47,420.19	\$911.92	\$23.99
New Entrant (Shift Work)	\$59,198.91	\$1,138.44	\$29.95
Operator Level 1	\$67,320.55	\$1,294.62	\$34.06
Operator Level 2	\$68,931.92	\$1,325.61	\$34.88

Base Salary (for a 38 hour week)

Classification	Rate for 38 hour week	Rate per hour
New Entrant	\$701.10	\$18.45
Operator Level 1	\$802.40	\$21.11
Operator Level 2	\$822.50	\$21.64

The following tables outline annualised and base salaries for each classification at the Stainless Warehouse effective from the first full pay period after 1 July 2003.

Annualised Salaries

Classification	Annualised Salary	Weekly Salary Payment	Hourly Salary Rate
New Entrant (Day Work)	\$47,420.19	\$911.92	\$23.99
New Entrant (Shift Work)	\$61,640.66	\$1,185.38	\$31.19
Operator Level 1	\$70,039.54	\$1,346.91	\$35.44
Operator Level 2	\$71,705.99	\$1,378.96	\$36.28

Base Salary (for a 38 hour week)

Classification	Rate for 38 hour week	Rate per hour
New Entrant	\$701.10	\$18.45
Operator Level 1	\$802.40	\$21.11
Operator Level 2	\$822.50	\$21.64

9.3 Future Wage increases

If during the life of this Agreement there are movements in wages and allowances under the BHP Steel (AIS) Pty Ltd - Port Kembla Operations Enterprise Agreement 2002 or its replacement Agreement, then such movements will be flowed onto employees covered by this Agreement.

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 (exclusive of shift penalties)

Deduction of Pay:

Where an employee does not attend work as rostered for an ordinary or compulsory overtime shift for reason other than leave approved by the employer (ie strike, non authorised absence) then pay will be deducted at the hourly salary rate x the number of hours of non attendance. In addition deduction of pay will also apply in accordance with the provision set out in 9.5.1.

9.5 Flexible Manning

9.5.1 The parties to this Agreement acknowledge that employees may be required to work additional hours (i.e. MAFS rather than overtime) at any stage during the roster cycle to meet operational requirements provided that such hours will be worked subject to sub clause 9.5.2: If operational requirements are not met by the parties genuinely using the MAFS systems to its full extent, then the Company reserves the right to direct employees to work prepaid overtime per fortnight. If an employee fails to work the prepaid overtime, when directed, a deduction of 12 x the hourly salary rate will apply for the fortnight.

9.5.2 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, where practicable no employee will accrue MAFS beyond this limit. In the event that greater than 36 hours is accrued such employee in conjunction with the management will make every attempt to reduce these hours back within the limits where possible. This will be reviewed and monitored by the workplace review committee in conjunction with management.

9.6 Payment for leave

The payments made for various leave and absences from work under annualised salary arrangements are outlined in Appendix 3. At all times 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, management will discuss this with the individual concerned. Any such discussion will be in accordance with the relevant policy and procedure. Where there is evidence that an employee has abused their sick leave entitlement, the Company reserves the right to discontinue the sick leave payment for such absence.

9.8 Superannuation

Superannuation for full time employees will be calculated as per the provisions of the "Steelworks Award"

9.9 Annual Leave

In accordance with the parent Award, an employee may, subject to the Annual Holidays Act 1944, take annual leave not exceeding five days in single day periods. Annual leave may also be take in any other combination (e.g., four weeks at once, four separate one-week periods, etc.).

Employees must apply for all periods of annual leave and be approved by the Warehouse Manager. All leave is taken at a time mutually agreed by the parties provided that the taking of such leave does not compromise operational requirements.

10. Work Arrangements

10.1 Existing Arrangements - Manning and Rosters

It is acknowledged that manning and rostering arrangements will be maintained until such time operational requirements change. It is further agreed that such arrangements will be reviewed during the life of the Agreement and will be adjusted when production levels and warehouse configuration allows the Warehouse to transition to one unified and cohesive workforce.

10.2 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 but individuals in that team will have a designated roster day. In the event an employee is required to work on their rostered day such employee shall accrue hours as provided in the MAFS system.

10.3 Mutually Agreed Flexible Shifts (MAFS)

Mutually Agreed Flexible Shifts (MAFS) 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 MAFS is voluntary, provided operational requirements are met. This will aid in facilitating minimum hours to be worked. Further details of the MAFS system are contained in Appendix 4.

10.4 Coverage of Jobs

The Team (Team means "Operators and Supervisors") 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 MAFS.

All employees have a component of prepaid overtime (6hours per week) in their annualised salary to compensate for this requirement.

Failure to cover operational requirements through the use of MAFS will result in the Company calling on the component of prepaid overtime. The "Workplace Review committee" will consider any extenuating circumstances. Failure to work a prepaid overtime shift, when offered, will result in a deduction of the additional hours component of the salary for the pay period.

It is agreed that there will be free interchange of labour between sites that are covered by this Agreement.

Where a shift is offered on the basis that it is additional hours, because of the failure to provide cover by way of the MAFS system then a meal voucher will apply as per the Company procedure relating to overtime without notice.

In the event that operational requirements fail to be covered through the use of MAF's, compelling the Company to meet operational requirements through prepaid overtime, in such a situation, any employee so directed to work (without notice) will be entitled to a crib docket for the provision of a meal.

It is agreed by the parties that any outstanding matters related to crib dockets will be able to be discussed during the life of the agreement.

11. General

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.

All Company relevant safety standards, policies and procedures will be complied with by employees.

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 supervisor and team to ensure that no member will be allowed onto the workplace 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. This will be subject to such training being consistent with the obligations placed on employees within the relevant classification level of the position held. 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.

As part of training requirements it is agreed by the parties that the National Training Curriculum for warehouse and logistics operators is to be implemented during the life of this Agreement with the intention that current operators will progress through this training curriculum.

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 MAFS hours unless authorised and agreed by the Port Kembla Warehousing Manager.

Each team will meet as required to ensure proper functioning and development of the team.

11.5 'Workplace Review Committee' Meeting

A "Workplace Review Committee" (hereinafter referred to as the "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.

The purpose of the Committee will be to review the operation and implementation of this Agreement. Where there are issues or concerns raised by employees such concerns will be brought to the attention of the Committee for their action. At all times the Committee will attempt to resolve concerns through genuine consultation.

The Committee will meet monthly, and more frequently subject to the needs of the Warehouse.

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 MAFS 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 MAFS hours for the duration of the meeting if rostered off.

12. Facilitative Provisions

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 9.2 and 9.3 of this Agreement.

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

12.2 Term

12.2.1 The parties agree to introduce this new system of work from 1 July 2003 subject a trial period not exceeding 6 months in duration. It is further agreed by the parties that during the trial the Committee will regularly review the Agreement in accordance with clause 11.5.

Provided there is no evidence of fatal flaws existing in the application and operation of this Agreement during this trial period, the parties agree to file the Agreement with the Industrial Relations Commission for the purpose of having it registered as an enterprise agreement.

12.2.2 Subject to clause 12.2.1, this Agreement is to operate from 1 July 2003 for a period of 2 years.

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 Warehouse 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*.

12.3 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 Operations Enterprise Agreement, continues to apply to employees covered by this agreement.

In addition to obligations under the Port Kembla Agreement, the parties agree to develop a procedure that relates to supply of urgent customer orders during the life of this Agreement.

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

this 1st day of July 2004

in the presence of

Signed for and on behalf of
BHP Steel (AI&S) Pty Ltd

this 7th day of July 2004

in the presence of

APPENDIX - 1

Annualised Salaries

Calculation of CRM Warehouse Operators - Annualised Incomes (7day 12 hour Day Shift) as from first full pp after 1 July 2003				
Shift Worker		Training Operator	GTO 1	GTO 2
(Matrix Level)				
Base Wage				
Margin		\$543.60	\$619.70	\$639.80
Overaward (Bonus)		\$157.50	\$182.70	\$182.70
Weekly Base Wage		\$701.10	\$802.40	\$822.50
Hourly Rate - \$/hr		\$18.4500	\$21.1158	\$21.6447
Annualised Income				
1. Base Salary (Weekly \$ x 52)		\$36,457.2	\$41,724.80	\$42,769.9
		0		3
2. P/Holidays (Hrs x \$/hr)		\$2,988.90	\$3,420.76	\$3,506.44
3. Weekend Payment (Hrs x \$/hr x 52)		\$6,715.80	\$7,686.15	\$7,878.67
4. Shift Loading (38hrs x \$/hr x 52)		\$2,615.63	\$2,615.63	\$2,615.63
5.1 Additional Hours (hrs x infl factor x \$/hr x wks)		\$10,048.1	\$11,499.93	\$11,787.9
		0		7
5.2 Additional Shift Allowance (hrs x \$/hr x wks)		\$373.28	\$373.28	\$373.28
Total Annualised Income		\$59,198.91	\$67,320.55	\$68,931.92
Weekly Salary		\$1,138.44	\$1,294.63	\$1,325.61
Hourly Rate		\$29.9589	\$34.0692	\$34.8845
Defined Wage		\$880.55	\$1,000.51	\$1,024.31
Long Service Leave Salary		\$894.33	\$1,023.55	\$1,049.19
Shift Allowance per Week	\$50.30			
Shift Allowance per Hour	\$1.3237			
Shift Allowance Weeks	52			
Public Holiday Hours	162.00			
Weekend Penalties	7.00			
Weekend Weeks	52			
Additional Hours	6.00			
Additional Hours Weeks (Shift Work)	47			
Additional Hours Weeks (Day Work)	48			
Inflation Factor	1.93125			
A/L Loading %	20.000			
A/L Weeks	5.0			

Day Worker (Monday To Friday)			
1. Base Salary (Weekly \$ x 52)	\$36,457.20	\$41,724.80	\$42,769.93
2. Additional Hours (hrs x infl factor x \$/hr x wks)	\$10,261.89	\$11,744.61	\$12,038.78
Annual Leave Loading (base wage x weeks x loading%)	\$701.10	\$802.40	\$822.50
Total Annualised Income	\$47,420.19	\$54,271.81	\$55,631.21
Weekly Salary	\$911.93	\$1,043.69	\$1,069.83
Hourly Rate	\$23.9982	\$27.4655	\$28.1534
Defined Wage	\$701.1	\$802.40	\$822.50
Long Service Leave Salary	\$701.10	\$802.40	\$822.50

Stainless Calculation of Warehouse Operators - Annualised Incomes (7day 12 hour Rotating Shift) as from first full pay period after 1 July 2003				
Shift Worker		New entrant	TO1	TO2
(Matrix Level)				
Base Wage				
Margin		\$543.60	\$619.70	\$639.80
Overaward (Bonus)		\$157.50	\$182.70	\$182.70
Weekly Base Wage		\$701.10	\$802.40	\$822.50
Hourly Rate - \$/hr		\$18.4500	\$21.1158	\$21.6447
Annualised Income				
1. Base Salary (Weekly \$ x 52)		\$36,457.20	\$41,724.80	\$42,770.00
2. P/Holidays (Hrs x \$/hr)		\$2,988.90	\$3,420.76	\$3,506.44
3. Weekend Payment (Hrs x \$/hr x 52)		\$8,634.60	\$9,882.19	\$10,129.72
4. Shift Loading (38hrs x \$/hr x 52)		\$3,073.27	\$3,073.27	\$3,073.27
5.1 Additional Hours (hrs x infl factor x \$/hr x wks)		\$10,048.10	\$11,499.93	\$11,787.97
5.2 Additional Shift Allowance (hrs x \$/hr x wks)		\$438.59	\$438.59	\$438.59
Total Annualised Income		\$61,640.66	\$70,039.54	\$71,705.99
Weekly Salary		\$1,185.40	\$1,346.91	\$1,378.96
Hourly Rate		\$31.1947	\$35.4450	\$36.2884
Defined Wage		\$926.25	\$1,051.54	\$1,076.40
Long Service Leave Salary		\$894.33	\$1,023.55	\$1,049.19
Shift Allowance per Week	\$59.10			
Shift Allowance per Hour	\$1.5553			
Shift Allowance Weeks	52			
Public Holiday Hours	162.00			
Weekend Penalties	9.00			
Weekend Weeks	52			
Additional Hours	6.00			
Additional Hours Weeks (Shift Work)	47			
Additional Hours Weeks (Day Work)	48			
Inflation Factor	1.93125			
A/L Loading %	20.000			
A/L Weeks	5.0			

Day Worker (Monday to Friday)			
1. Base Salary (Weekly \$ x 52)	\$36,457.20	\$41,724.80	\$42,770.00
2. Additional Hours (hrs x infl factor x \$/hr x wks)	\$10,261.89	\$11,744.61	\$12,038.78
Annual Leave Loading (base wage x weeks x loading%)	\$701.10	\$802.40	\$822.50
Total Annualised Income	\$47,420.19	\$54,271.81	\$55,631.28
Weekly Salary	\$911.93	\$1,043.69	\$1,069.83
Hourly rate	\$23.9982	\$27.4655	\$28.1534
Defined Wage	\$701.10	\$802.40	\$822.50
Long Service Leave Salary	\$701.10	\$802.40	\$822.50

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	Salary for 1 week. Further 51 weeks unpaid.
Carer's Leave	Salary - linked to sick leave (see Award)
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

APPENDIX - 4

MAFS System

Purpose

It is acknowledged by all parties that the proposal of an annualised salary system put forward in the Warehouse 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. Mutually Agreed Flexible Shifts (MAFS), provide the mechanism through which to manage additional hours.

Concept

MAFS 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 MAFS 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.

Process

MAFS 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.

Conditions

Application

Additional Hours will be managed as follows:

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

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).

Accrued hours will need to be managed within these limits and be reviewed by the Workplace Review Committee

Debit/Credit Rules

MAFS 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 MAFS.

For non rostered days:

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

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

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

MAFS Off

Employees wishing to MAFS off for part of a normal rostered shift must do so for a minimum of one (1) hour.

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 rescheduling work if this will have no impact. The supervisor may also assist for short time to alleviate the shortfall in requirements.
3. The crew rostered on will work an extended shift or come in early (take time for MAFS) 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 MAFS on will be called. In the first instance crew members will seek to cover operational requirements and will call other crew members. In the event that the crew members are unable to successfully call in volunteers or uncomfortable in doing so, the following will occur:

The team supervisor will then look to the summary list of MAFS 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.

6. If in this situation a position still cannot be filled then the team supervisor 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 MAFS 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 MAFS hours owed at a later date.
7. All Warehouse employees covered by this agreement, will be required to work a minimum two 12 hour MAFS shifts or a total of 24 MAFS hrs, per month if required, beyond this it will be on a voluntary basis. No penalty will be incurred where the employee has completed 2 MAF shifts (24 hours). For clarity employees will be required to work any shift to meet operational requirements, meaning both night and day shifts. Settlement Process

All MAFS hours will be reviewed each month by team supervisor and Workplace Review Committee.

Every effort should be made to ensure that MAFS hours are maintained within the limits MAFS hours may be carried over from one cycle to the next.

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, where practicable no employee will accrue MAFS beyond this limit. In the event that greater than 36 hours is accrued such employee in conjunction with the management will make every attempt to reduce these hours back within the limits where possible. This will be reviewed and monitored by the workplace review committee in conjunction with management.

MAFS hours are to be recorded on a system to enable automatic settlement to occur.

Guidelines

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

Resourcing

Personnel must not be called in to cover personnel who have MAFS'd off.

The supervisor in conjunction his shift team will 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 MAFS on or off for less than a full shift. Four (4) hours will be the minimum allowable.

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

Rostering to accommodate MAFS must be for meaningful work, not manufactured work. For clarity "meaningful work" means work required to be performed to meet core operational requirements within the Warehouse(s).

Notice Periods

MAFS 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 MAFS off (less than 6 hours) is to be minimised. MAFS 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 1500 hours s on the previous day if they intend to MAFS 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 MAFS hours (i.e. 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 MAFS shift.

Employees will be available if rostered for MAFS coverage for two (2) hours from the start of the shift requiring coverage. No penalty will be incurred if there is a call after the first 2 hours. This will be reviewed on an ongoing basis to ensure that operational requirements have been met. It should be noted that employees can be called into cover post the first 2 hours but will be only on a voluntary basis.

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.

Administration

MAFS 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 7 years (to satisfy audit requirements).

Work outside normal hours on another shift must be documented by the individual, signed by that team supervisor (i.e. team supervisor when working) and handed to the individual's own team supervisor.

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 MAFS.

MAFS arrangements may be granted to the individual the day before by ringing the Team Supervisor of the day.

Each individual is responsible for completing form and delivering it to their shift's Team Supervisor when adjusting normal work times.

Mutual swaps organised by individuals must be reported to respective Team Supervisor .

Exceptions

Exceptions to this arrangement can only be implemented on written arrangement by all parties.

Applications to MAFS 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.

APPENDIX 5

Guidelines for Discretionary Sick Leave

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

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.

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.

Eligibility

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

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.

2 single day absences need to provide a Statutory Declaration.

2 days or more off in a row, or more than 2 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.

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).

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.

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.