

## **REGISTER OF ENTERPRISE AGREEMENTS**

**ENTERPRISE AGREEMENT NO:** EA06/213

**TITLE: BlueScope Steel (AIS) Pty Ltd Logistics "One Workforce"  
Enterprise Agreement 2006**

**I.R.C. NO:** IRC6/1960

**DATE APPROVED/COMMENCEMENT:** 24 March 2006 / 31 March 2006

**TERM:** 36

**NEW AGREEMENT OR  
VARIATION:** Replaces EA03/150, EA04/219.

**GAZETTAL REFERENCE:** 16 June 2006

**DATE TERMINATED:**

**NUMBER OF PAGES:** 44

**COVERAGE/DESCRIPTION OF**

**EMPLOYEES:** The agreement applies to all employees employed by BlueScope Steel (AIS) Pty Ltd., Five Islands Road, Port Kembla NSW 2505, who are engaged in classification as set out in this agreement and perform work in warehouses (including No.2 Products Berth) managed and operated by the Logistics business in Port Kembla and surrounding areas, who fall within the coverage of the BlueScope Steel (AIS) Pty Ltd - Port Kembla Steel Works Employees Award 2006.

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

**BLUESCOPE STEEL (AIS) PTY LTD –  
LOGISTICS “ONE WORKFORCE”  
ENTERPRISE AGREEMENT 2006**

**Between**

**BlueScope (AIS) Pty Ltd,  
Port Kembla**

**&**

**Australian Workers’ Union,  
Port Kembla Branch**

## CONTENTS

## ENTERPRISE AGREEMENT

<b>1.</b>	<b>TITLE</b>	
<b>2.</b>	<b>PARTIES TO THE AGREEMENT</b>	
<b>3.</b>	<b>APPLICATION</b>	
<b>4.</b>	<b>PURPOSE OF THIS AGREEMENT</b>	
<b>5.</b>	<b>DIRECTION</b>	
<b>6.</b>	<b>BENCHMARKING &amp; CONTINUOUS IMPROVEMENT</b>	
<b>7.</b>	<b>THE WORK TEAM</b>	
<b>8.</b>	<b>DUTIES</b>	
8.1.	NEW ENTRANT .....	
8.2.	TEAM MEMBER - WAREHOUSING LEVEL 1 .....	
8.3.	TEAM MEMBER - WAREHOUSING LEVEL 2 .....	
8.4.	TEAM MEMBER - WAREHOUSING LEVEL 3 .....	
8.5.	TEAM MEMBER - SPECIAL CLASS .....	
<b>9.</b>	<b>CONDITIONS OF EMPLOYMENT</b>	
9.1.	ANNUALISED SALARIES .....	
9.2.	RATES APPLICABLE FROM DATE OF REGISTRATION .....	
9.3.	SPECIAL CLASS PROVISIONS .....	
9.4.	FUTURE WAGE INCREASES .....	
9.5.	DEFINITIONS FOR ANNUALISED SALARY .....	
9.6.	WORKING OF ADDITIONAL HOURS .....	
9.7.	PAYMENT FOR LEAVE .....	
9.8.	DISCRETIONARY SICK LEAVE .....	
9.9.	SUPERANNUATION .....	
9.10.	ANNUAL LEAVE .....	
9.11.	LONG SERVICE LEAVE .....	
<b>10.</b>	<b>WORK ARRANGEMENTS</b>	
10.1.	MANNING & ROSTERS .....	
10.2.	ROSTER DAYS .....	
10.3.	MUTUALLY AGREED FLEXIBLE SHIFTS (MAFS) .....	
10.4.	COVERAGE OF JOBS .....	
10.5.	MOBILITY .....	
<b>11.</b>	<b>GENERAL</b>	
11.1.	SAFETY .....	
11.2.	REHABILITATION & COMPENSATION .....	
11.3.	TRAINING .....	
11.4.	TEAM MEETINGS .....	
11.5.	'WORKPLACE REVIEW COMMITTEE' MEETING .....	
11.6.	OTHER MEETINGS .....	
<b>12.</b>	<b>FACILITATIVE PROVISIONS</b>	
12.1.	NO EXTRA CLAIMS .....	
12.2.	TERM .....	
12.3.	REVIEW .....	
12.4.	PROCEDURE FOR RESOLVING CLAIMS, ISSUES AND DISPUTES .....	
12.4.	REGULATION OF DISTURBANCES TO PRODUCTION AND SUPPLY .....	
<b>13</b>	<b>SIGNATURES</b>	
	<b>Appendix - 1 Annualised Salaries</b>	
	<b>Appendix - 2 Payment for Leave</b>	
	<b>Appendix - 3 MAFS System</b>	
	<b>Appendix - 4 Guidelines for Discretionary Sick Leave</b>	
	<b>Appendix - 5 Leave Reserved</b>	

## 1. TITLE

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This Agreement shall be titled the "*BlueScope Steel (AIS) Pty Ltd Logistics "One Workforce" Enterprise Agreement 2006*" (the "Agreement").

## 2. PARTIES TO THE AGREEMENT

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The parties to this agreement are:

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

## 3 APPLICATION

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3.1 This Agreement applies to all employees employed by the Company who are engaged in classifications as set out in this Agreement and perform work in warehouses (including No.2 Products Berth) managed and operated by the Logistics business in Port Kembla and surrounding areas.

3.2 This Agreement must be read in conjunction with the:

- *BlueScope Steel (AIS) Pty Ltd - Port Kembla Steelworks Employees Award 2006* and any Award that succeeds or replaces it (the "Steelworks Award"); and
- *the BlueScope Steel Products Berth Operations Memorandum of Understanding ("MOU") 2004.* .

Where there is any inconsistency between this Agreement and the Steelworks Award and the MOU, this Agreement will prevail 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.

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**

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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 BlueScope 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**

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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 BlueScope Steel's cargo. The future of the Port Kembla business, and all Warehouse employees, is inextricably linked to the ongoing capacity of BlueScope 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**

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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**

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The duties of Warehouse employees in the following classifications shall include, but not be limited to, the duties outlined below.

The classification structure that exists within the Logistics warehouse Operation is founded upon the concept of a semi-autonomous work group. It is expected that day to day operation are managed by the Team.

All team members will work in accordance with the classification definitions set out below (subject to clause 11.3) and understand the classification definitions are not exhaustive.

The Company expects that work is performed by team members is consistent with employee's skill and competence however as a minimum it will be expected that employees will be able to perform work consistent with their classification level.

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.

A New Entrant is an employee who is undertaking up induction and other training which may include information on the enterprise, conditions of employment, introduction to Team members, training and career path opportunities, plant layout, work and documentation procedures, occupational health and safety, equal employment opportunity and quality control/assurance.

An employee at this level performs routine duties essentially of a manual nature and to the level of his/her training:

- (i) performs general labouring and cleaning duties
- (ii) exercises minimal judgement
- (iii) works under direct supervision; or
- (iv) is undertaking structured training so as to enable them to work at Team Member - Warehousing Level 1

As a minimum the new entrant will:

- Follow applicable procedures and adhere to required standards of behaviour
- Report all unsafe situations immediately to supervisor.
- Take corrective action within own ability and report to supervisor
- Report all injuries, near miss and plant or equipment damage
- Support fellow employees



- Support OH&S committees
- Ask about and keep informed of work hazards
- Conduct regular safety auditing of people plant and systems to identify hazards and intervening to prevent safety incidents.
- The employee will be expected to take appropriate action in relation to safety and environmental hazards within the employee's training and skill level
- cleaning and any 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.

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 Team Member – Warehousing Level 1**

### **Points of entry**

New Entrant.

Proven and demonstrated skills (including as appropriate, certification) to the level required of this grade.

It is acknowledged that to achieve this level will be able to utilise all skills and perform all the duties required of Team Member – New Entrant level.

## **Duties**

A Team Member – Warehousing 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, overhead and Gantry 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
- All duties associated with Gantry crane driving
- All duties associated with warehouse operations
- Completion of training to continually develop skills levels

## **Skills:**

Able to work from complex instructions and procedures.

Able to co-ordinate work in a team environment under limited supervision.

Responsible for quality of their own work.

Possesses sound interpersonal and communication skills.

**Must be competent to perform one or more of the following tasks/duties or combination thereof:**

- inventory and warehousing control, including:
  - licensed operation of all appropriate materials handling equipment;
  - use of tools and equipment within the warehouse (basic non-trades maintenance);
  - VDU or equivalent operation;

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.

This class of operator is an employee undertaking Certificate III in Transport and Distribution but who is not yet qualified.

### ***8.3 Team Member – Warehousing Level 2***

#### **Points of entry**

Team Member – Warehousing Level 1.

Proven and demonstrated skills (including as appropriate, certification) to the level required of this grade.

A Team Member Warehousing Level 2 is an employee who has successfully completed all the duties of level 1 for a period of at least 6 months and possesses a Certificate III (Transport & Distribution) or equivalent.

#### **Duties**

In addition to the above conditions a level 2 Operator must be willing and able to apply all skills acquired as a level 1 Operator and must also be able to competently perform and be ready, willing and able to perform all of the functions required at this level.

#### **Indicative tasks:**

- requiring an intimate knowledge of OTIS or equivalent enabling the effective management of product into and out of the various receival and despatch points including the production and completion of required paper work;
- assist in the planning and coordination of work to be performed during the shift
- checking driver passports for the correct induction;
- organising and directing all road & rail traffic;
- can competently be responsible for indirect supervision and is responsible for the coordination of work at their location.
  - basic equipment care,
  - risk assessment, hazard identification and defect reporting
  - daily interaction with customers, suppliers and management

Skills:

Understands and is responsible for quality control standards.

Possesses an advanced level of interpersonal and communication skills.

Competent keyboard skills.

Sound working knowledge of all warehousing/stores duties performed at levels below this grade.

Performs work requiring minimal supervision either individually or in a team environment.

**Must be competent to perform one or more of the following tasks/duties or combination thereof:**

- use of a VDU for purposes such as the maintenance of a deposit storage system, information input/retrieval, etc.; operation of all materials handling equipment under license, where required;
- development and refinement of a store layout including proper location of goods and their receipt and despatch;
- work as part of guidelines of Team to the individuals level of training

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.

**If assistance is required then reference can be made to the level 3 operators**

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

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

Progression to Operator level 3 or equivalent will be subject to the following:

- any such decision to appoint to a higher classification will be through a selection process with appointment being on merit; and
- achievement of Certificate III (or has gained equivalent competencies) and is undertaking Certificate IV.
- all other requirements of level 3 or equivalent as agreed.

**8.4 Team Member – Warehousing Level 3**

Leave Reserved – See Appendix 5

**8.5 Team Member – Special Class**

Team Member Special Class means an employee who was employed as a Products Berth Operator prior to 1 July 2004 and is covered by the *BlueScope Steel Products Berth Operations Memorandum of Understanding ("MOU") 2004*. For clarity this is not an active classification for any employee other than those covered by the MOU.

**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 base rates for each active classification operating within the Warehouses operating in Port Kembla as at 31 March 2006.

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

<b>Classification</b>	<b>Rate for 38 hour week</b>	<b>Rate per hour</b>	<b>Classification Status</b>
New Entrant	\$800.10	\$21.05	Active
Team Member – Warehousing Level 1	\$915.70	\$24.09	Active
Team Member – Warehousing Level 2	\$938.60	\$24.70	Active
Team Member - Special Class	As per MOU and letter to AWU		Dormant

Annualised Salaries are set out in Appendix 1.

### **9.3 Special Class Provisions**

Unless otherwise agreed, employees classed as a "special class" employees will have their annualised salary preserved in accordance with the terms of the MOU.

The Company will meet all other terms and conditions as set in the MOU.

### **9.4 Future Wage Increases**

Subject to clause 9.3 of this Agreement, employees will be entitled to all applicable increases to wages and allowances as provided for under the Steelworks Award as varied from time to time.

### **9.5 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 9.6.1.

### **9.6 Flexible Manning**

9.6.1 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 9.6.2: If operational requirements are not met by the parties genuinely using the MAFs systems to it's 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.

9.6.2 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.

### **9.7 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.

### **9.8 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.

### **9.9 Superannuation**

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

### **9.10 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.

## **9.11 Long Service Leave**

For all employees who are covered by this Agreement the following will apply:

9.11.1 The inclusion of shift payments in the payment for long service leave actually taken will apply to long service leave taken on or after 1 January 2006 subject to the following:

(i) For all shiftwork employees who are paid on an annualised salary basis, in place at the time of making this Agreement arrangements for long service leave which provide for the inclusion of the additional hours component being paid for long service leave will cease and that payment will be substituted by the normal shift payments that would have been paid to the employee had the employee been at work, and not on long service leave.

9.11.2 The application of shift payments to long service leave entitlements does not apply where the long service leave is taken as part of an employee's resignation/retirement arrangement.

9.11.3 Long service leave that is paid out on termination of employment will be paid at the base 38 hour week rate.

9.11.4 Arrangements made for the taking of long service leave will be subject to the approval of the Company.

9.11.5 All other conditions set out under clause 28.5 of the Steelworks Award will continue to apply.

## **10 WORK ARRANGEMENTS**

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### **10.1 Existing Arrangements – Manning and Rosters**

#### **10.1.1 Manning**

Except for the manning reduction that was underway as at 16 March 2006 at the Packaging Products Warehouse, it is acknowledged that manning arrangements will be maintained until such time operational requirements change. The parties agree that during the life of this Agreement current manning levels will need to be reviewed to ensure operational demands are adequately met.



### **10.1.2 Rostering**

The parties agree that separate roosting arrangements will continue to apply at respective sites until such time that operational requirements change. The parties agree that during the life of this Agreement a review will be conducted to determine whether it is operationally viable to move towards a combined roster for all sites.

Nothing in this clause will prevent the Company to vary roster patterns as provided for under the Steelworks Award.

The employees operating at the Packaging Products (PP) warehouse will work a roster pattern aligned to the roster pattern at CRM (day shift – 7 days per week). Until such time that the new roster commences the status quo will apply.

### **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.

### **10.5 Mobility**

In order for the Company to meet its operational requirements, the parties to this Agreement acknowledge that having a flexible and mobile workforce will allow the business to meet its customer expectations. By meeting customer expectations the Logistics business will be able to provide secure and sustainable employment for its employees.

Recognising the Company's operational requirements all employees recognise and agree that from time to time work will be required to be performed away from the employee's usual place of work ("primary site) at sites operated by the Logistics business ("secondary site").

The Company agrees that where an employee is required to transfer such transfer will be limited, except in the case of emergencies, to no more than two sites on any one day.

The Company will at every opportunity attempt to utilise employees on shift for transfers between warehouses. In the event that employees who are on shift at other warehouses are unable to provide support due to workload commitments, then MAFs will be called upon. In the event no employee is available via MAFs then and only will prepaid overtime be called upon in accordance with clause 9.6 of this Agreement.

#### Notice

Wherever possible the Company will give advance notice of the intention to transfer an employee on any particular day.

### Transportation

Where less than 12hrs notice is provided to an employee to perform work away from the usual place of work, the Company will be responsible, unless otherwise agreed between the Company and an individual employee, for transportation from the usual place of work to the secondary site.

Where notice is provided the employee will be responsible for transportation to the site where work will be performed.

Unless otherwise agreed between the Company and the individual employee, all employees required to work away from their usual place of work will commence and end their working hours at their usual place of work ("primary site")

Where an employee is required to travel to another site all such travel will be undertaken, where practicable, during normal working hours.

### Access Cards

Prior to the requiring an employee to work at a secondary site the Manager/Operations Coordinator will ensure all appropriate access cards and permits are provided to the employee required to work at the secondary site.

### Parking

Subject to agreement with the Manager/Operations Coordinator parking will be available in the designated areas permitted by PKSW/Serco access requirements.

### Lockers

Where more than 4hrs is worked at secondary sites lockers will be made available to employees operating at secondary sites.

### Training

Before operating at secondary sites the Manager/Coordinator will ensure that the mobile employee has been properly inducted and undertaken all the necessary training to perform work at the particular site in question.

No employee will be required to perform work that is outside of their skills and competence to perform.

## **11. GENERAL**

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### **11.1 Safety**

All parties are totally committed to improving safety standards and will actively encourage and promote the levels of safety awareness that such

standards demand. Effective training of all personnel is essential to achieve these standards.

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

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

The parties have agreed that the central principle is to give all employees the ability to move progressively through the classification structure.

The career path concept is founded upon the implementation of an integrated classification structure through which progression is achieved by skills acquisition. Skills acquisition will come from a combination of on the job and other forms of training leading to the progressive completion of Warehousing Industry Certificate modules. Progression will be based on competency.

As part of training requirements competency based training has been implemented under the conditions of the previous Agreement.

Unless otherwise agreed, all such training (at each certificate level) will be completed within 12 months from commencement of training.

As part of this training 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.

It is further agreed that employees will only undertake training using rostered hours or MAFs. Any training required to be performed out of normal rostered hours will be compensated via the provision of MAF (i.e time off in lieu).

Notwithstanding the classification definitions set out in this Agreement under clause 8, any employee who was employed prior to the operation of this Agreement in a particular classification or covered by the terms of the MOU such employee will not be forced to undertake that particular certificate required for that particular classification (e.g Level 2 Operator will not be forced to complete Certificate III). For such employees participation will be on voluntary basis.

For clarity the full training requirements at each classification level will be required to be met by employees who have not been employed prior to the operation of this Agreement at a particular classification level covered by this Agreement or the MOU.

#### **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**

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### **12.1 No Extra Claims**

It is a term of this Agreement that the parties will not, during the term of this Agreement, make or pursue any claim for rates of pay, salary, allowances or conditions except as provided for under clauses 9.3 and 9.4 and Appendix 5 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 This Agreement is to operate from 31 March 2006 for a period of 3 years and thereafter until terminated or replaced in accordance with *Industrial Relations Act 1996 (NSW)*.
- 12.2.2 It is further agreed by the parties that during the life of this Agreement the Workplace Review Committee will regularly review the Agreement in accordance with clause 12.3 of this Agreement.

## **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*.

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

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

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

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



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

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


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

The parties recognise that to achieve these goals and maintain secure employment, they must manage their differences without allowing these differences to cause disruption to the efficient operations of the Company. To this end Clause 37, Regulation of Disturbances to Production and Supply of the Steelworks Award, continues to apply to employees covered by 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

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

this 24<sup>th</sup> day of March 2006

in the presence of

  
A. P. H.

Signed for and on behalf of  
BLUESCOPE STEEL (AIS) PTY LTD

this 24<sup>th</sup> day of March 2006

in the presence of

  
J. LOPAC  
  
A. P. H.

**Appendix - 1****Annualised Salaries**

The following tables outline annualised salaries for each classification at the CRM Warehouses effective from the first full pay period after 31 March 2006.

**Annualised Salaries - CRM Warehouse**

<b>Classification</b>	<b>Annualised Salary</b>	<b>Weekly Salary Payment</b>	<b>Hourly Salary Rate</b>
New Entrant (Day Work)	\$54,116	\$1040.69	\$27.38
New Entrant (Shift Work)	\$67,415	\$1296.44	\$34.11
Team Member – Warehousing Level 1	\$76,683	\$1474.68	\$38.80
Team Member – Warehousing Level 2	\$78,519	\$1509.99	\$39.73

The following tables outline annualised salaries for each classification at the Stainless Warehouse effective from the first full pay period after 31 March 2006

**Annualised Salaries – Stainless Warehouse**

<b>Classification</b>	<b>Annualised Salary</b>	<b>Weekly Salary Payment</b>	<b>Hourly Salary Rate</b>
New Entrant (Day Work)	\$54,116	\$1040.69	\$27.38
New Entrant (Shift Work)	\$70,175	\$1349.53	\$35.51
Team Member – Warehousing Level 1	\$79,760	\$1533.35	\$40.36
Team Member – Warehousing Level 2	\$81,658	\$1570.36	\$41.32

**Annualised Salaries – No.2 Products Berth Warehouse**

Special Class Employees – As per MOU.

All others – Leave Reserved – See Appendix 5 of this Agreement

**Packaging Products (PP) Warehouse Employees – Annualised Salaries**

Employees employed at the Packaging Products warehouse will be paid the New Entrant (first 3 months) rate and thereafter Team Member Level 1 rate of pay whilst training. On completion of training required at level Logistics level 2 employees will be paid at the Team Member level 2 rate of pay as set out below:

*Savings Provision:* Provided that employees whilst training will not be disadvantaged and will continue to receive either their current rate or the pre new roster rate (New Entrant or Level 1), whatever is the higher.

**Pre New Roster - Base Salary (for a 38 hour week)**

(Note: any overtime or penalties will be paid in addition to this rate as required)

<b>Classification</b>	<b>Rate for 38 hour week</b>	<b>Rate per hour</b>	<b>Classification Status</b>
New Entrant	\$800.10	\$21.05	Active
Team Member – Warehousing Level 1	\$915.70	\$24.09	Active
Team Member – Warehousing Level 2	\$938.60	\$24.70	Active

**Under New Roster Pattern – 12hours 7 days per week (all up rate)**

<b>Classification</b>	<b>Annualised Salary</b>	<b>Weekly Salary Payment</b>
New Entrant (Day Work)	\$54,116	\$1040.69
New Entrant (Shift Work)	\$67,415	\$1296.44
Team Member – Warehousing Level 1	\$76,683	\$1474.68
Team Member – Warehousing Level 2	\$78,519	\$1509.99

**Calculation of CRM Warehouse Operators - Annualised Incomes**

(7day 12 hour Day Shift) as from Date 31/03/2006

Shift Worker

	<u>New Entrant</u>	<u>TM- 1</u>	<u>TM 2</u>
(Matrix Level)			
<b>Base Wage</b>			
<b>Margin</b>	\$543.60	\$619.70	\$639.80
<b>Overaward (Bonus)</b>	\$157.50	\$182.70	\$182.70
<b>Weekly Base Wage</b>	<b>\$800.10</b>	<b>\$915.70</b>	<b>\$938.60</b>
<b>Hourly Rate - \$/hr</b>	\$21.0553	\$24.0974	\$24.7000
<b>Annualised Income</b>			
1. Base Salary (Weekly \$ x 52)	\$41,605.20	\$47,616.40	\$48,807.20
2. P/Holidays ( Hrs x \$/hr)	\$3,410.96	\$3,903.78	\$4,001.40
3. Weekend Payment (Hrs x \$/hr x 52)	\$7,664.13	\$8,771.45	\$8,990.80
4. Shift Loading (38hrs x \$/hr x 52)	\$2,860.06	\$2,860.06	\$2,860.06
5.1 Additional Hours ( hrs x infl factor x \$/hr x wks)	\$11,466.98	\$13,123.75	\$13,451.93
5.2 Additional Shift Allowance ( hrs x \$/hr x wks)	\$408.17	\$408.17	\$408.17
<b>Total Annualised Income</b>	<b>\$67,415.50</b>	<b>\$76,683.61</b>	<b>\$78,519.56</b>
Weekly Salary	\$1,296.45	\$1,474.68	\$1,509.99
Hourly rate	\$34.1171	\$38.8074	\$39.7366
Defined Wage	\$1,002.49	\$1,139.38	\$1,166.50
Long Service Leave Salary	\$1,020.62	\$1,168.08	\$1,197.29
<b>Shift Allowance per Week</b>	<b>\$55.00</b>		
<b>Shift Allowance per Hour</b>	<b>\$1.4474</b>		
<b>Shift Allowance Weeks</b>	<b>52</b>		
<b>Public Holiday Hours</b>	<b>162.00</b>		
<b>Weekend Penalties</b>	<b>7.00</b>		
<b>Weekend Weeks</b>	<b>52</b>		
<b>Additional Hours</b>	<b>6.00</b>		
<b>Additional Hours Weeks (Shift Work)</b>	<b>47</b>		
<b>Additional Hours Weeks (Day Work)</b>	<b>48</b>		
<b>Inflation Factor</b>	<b>1.93125</b>		
<b>A/L Loading %</b>	<b>20.000</b>		
<b>A/L Weeks</b>	<b>5.0</b>		

**DAY WORKER (MONDAY to FRIDAY)**

<b>1. Base Salary (Weekly \$ x 52)</b>	\$41,605.20	\$47,616.40	\$48,807.20
<b>2. Additional Hours ( hrs x infl factor x \$/hr x wks)</b>	\$11,710.96	\$13,402.97	\$13,738.14
<b>Annual Leave Loading (base wage x weeks x loading%)</b>	\$800.10	\$915.70	\$938.60
<b>Total Annualised Income</b>	<b>\$54,116.26</b>	<b>\$61,935.07</b>	<b>\$63,483.94</b>
<b>Weekly Salary</b>	\$1,040.70	\$1,191.06	\$1,220.85
<b>Hourly rate</b>	\$27.3868	\$31.3437	\$32.1276
<b>Defined Wage</b>	\$800.10	\$915.70	\$938.60
<b>Long Service Leave Salary</b>	\$800.10	\$915.70	\$938.60

**Calculation of PP Warehouse Operators - Annualised Incomes**

(7day 12 hour Day Shift) as from **Implementation of New Roster**

Shift Worker

	<u>New Entrant</u>	<u>TM 1</u>	<u>TM 2</u>
(Matrix Level)			
<b>Base Wage</b>			
<b>Margin</b>		\$619.70	\$639.80
<b>Overaward (Bonus)</b>		\$182.70	\$182.70
<b>Weekly Base Wage</b>	<b>\$800.10</b>	<b>\$915.70</b>	<b>\$938.60</b>
<b>Hourly Rate - \$/hr</b>	\$21.0553	\$24.0974	\$24.7000
<b>Annualised Income</b>			
<b>1. Base Salary (Weekly \$ x 52)</b>	\$41,605.20	\$47,616.40	\$48,807.20
<b>2. P/Holidays ( Hrs x \$/hr)</b>	\$3,410.96	\$3,903.78	\$4,001.40
<b>3. Weekend Payment (Hrs x \$/hr x 52)</b>	\$7,664.13	\$8,771.45	\$8,990.80
<b>4. Shift Loading (38hrs x \$/hr x 52)</b>	\$2,860.06	\$2,860.06	\$2,860.06
<b>5.1 Additional Hours ( hrs x infl factor x \$/hr x wks)</b>	\$11,466.98	\$13,123.75	\$13,451.93
<b>5.2 Additional Shift Allowance ( hrs x \$/hr x wks)</b>	\$408.17	\$408.17	\$408.17
<b>Total Annualised Income</b>	<b>\$67,415.50</b>	<b>\$76,683.61</b>	<b>\$78,519.56</b>
<b>Weekly Salary</b>	\$1,296.45	\$1,474.68	\$1,509.99
<b>Hourly rate</b>	\$34.1171	\$38.8074	\$39.7366
<b>Defined Wage</b>	\$1,002.49	\$1,139.38	\$1,166.50
<b>Long Service Leave Salary</b>	\$1,020.62	\$1,168.08	\$1,197.29
<b>Shift Allowance per Week</b>	\$55.00		
	\$1.447		
<b>Shift Allowance per Hour</b>	4		
<b>Shift Allowance Weeks</b>	52		
<b>Public Holiday Hours</b>	162.00		
<b>Weekend Penalties</b>	7.00		
<b>Weekend Weeks</b>	52		
<b>Additional Hours</b>	6.00		
<b>Additional Hours Weeks (Shift Work)</b>	47		
<b>Additional Hours Weeks (Day Work)</b>	48		
	1.9312		
<b>Inflation Factor</b>	5		
<b>A/L Loading %</b>	20.000		

A/L Weeks 5.0

**DAY WORKER (MONDAY to FRIDAY)**

<b>1. Base Salary (Weekly \$ x 52)</b>	\$41,605.20	\$47,616.40	\$48,807.20
<b>2. Additional Hours ( hrs x infl factor x \$/hr x wks)</b>	\$11,710.96	\$13,402.97	\$13,738.14
<b>Annual Leave Loading (base wage x weeks x loading%)</b>	\$800.10	\$915.70	\$938.60
<b>Total Annualised Income</b>	<b>\$54,116.26</b>	<b>\$61,935.07</b>	<b>\$63,483.94</b>
<b>Weekly Salary</b>	\$1,040.70	\$1,191.06	\$1,220.85
<b>Hourly rate</b>	\$27.3868	\$31.3437	\$32.1276
<b>Defined Wage</b>	\$800.10	\$915.70	\$938.60
<b>Long Service Leave Salary</b>	\$800.10	\$915.70	\$938.60



**Calculation of Warehouse Operators- Stainless Warehouse Annualised Incomes**

(7day 12 hour Rotating Shift) as from Date 31/03/2006

Shift Worker

	<u>New entrant</u>	<u>TM1</u>	<u>TM2</u>
(Matrix Level)			
<b>Base Wage</b>			
<b>Margin</b>	\$543.60	\$619.70	\$639.80
<b>Overaward (Bonus)</b>	\$157.50	\$182.70	\$182.70
<b>Weekly Base Wage</b>	<b>\$800.10</b>	<b>\$915.70</b>	<b>\$938.60</b>
<b>Hourly Rate - \$/hr</b>	\$21.0553	\$24.0974	\$24.7000
<b>Annualised Income</b>			
<b>1. Base Salary (Weekly \$ x 52)</b>	\$41,605.20	\$47,616.40	\$48,807.20
<b>2. P/Holidays ( Hrs x \$/hr)</b>	\$3,410.96	\$3,903.78	\$4,001.40
<b>3. Weekend Payment (Hrs x \$/hr x 52)</b>	\$9,853.88	\$11,277.58	\$11,559.60
<b>4. Shift Loading (38hrs x \$/hr x 52)</b>	\$3,359.20	\$3,359.20	\$3,359.20
<b>5.1 Additional Hours ( hrs x infl factor x \$/hr x wks)</b>	\$11,466.98	\$13,123.75	\$13,451.93
<b>5.2 Additional Shift Allowance ( hrs x \$/hr x wks)</b>	\$479.40	\$479.40	\$479.40
<b>Total Annualised Income</b>	<b>\$70,175.62</b>	<b>\$79,760.11</b>	<b>\$81,658.73</b>
<b>Weekly Salary</b>	\$1,349.53	\$1,533.85	\$1,570.36
<b>Hourly rate</b>	\$35.5139	\$40.3645	\$41.3253
<b>Defined Wage</b>	\$1,054.20	\$1,197.18	\$1,225.50
<b>Long Service Leave Salary</b>	\$1,020.62	\$1,168.08	\$1,197.29
<b>Shift Allowance per Week</b>	\$64.60		
<b>Shift Allowance per Hour</b>	\$1.7000		
<b>Shift Allowance Weeks</b>	52		
<b>Public Holiday Hours</b>	162.00		
<b>Weekend Penalties</b>	9.00		
<b>Weekend Weeks</b>	52		
<b>Additional Hours</b>	6.00		
<b>Additional Hours Weeks (Shift Work)</b>	47		
<b>Additional Hours Weeks (Day Work)</b>	48		
<b>Inflation Factor</b>	1.93125		
<b>A/L Loading %</b>	20.000		
<b>A/L Weeks</b>	5.0		

**DAY WORKER (MONDAY to FRIDAY)**

<b>1. Base Salary (Weekly \$ x 52)</b>	\$41,605.20	\$47,616.40	\$48,807.20
<b>2. Additional Hours ( hrs x infl factor x \$/hr x wks)</b>	\$11,710.96	\$13,402.97	\$13,738.14
<b>Annual Leave Loading (base wage x weeks x loading%)</b>	\$800.10	\$915.70	\$938.60
<b>Total Annualised Income</b>	<b>\$54,116.26</b>	<b>\$61,935.07</b>	<b>\$63,483.94</b>
<b>Weekly Salary</b>	\$1,040.70	\$1,191.06	\$1,220.85
<b>Hourly rate</b>	\$27.3868	\$31.3437	\$32.1276
<b>Defined Wage</b>	\$800.10	\$915.70	\$938.60
<b>Long Service Leave Salary</b>	\$800.10	\$915.70	\$938.60

**Appendix 2****Payment for Leave**

<b>TYPE OF LEAVE</b>	<b>PAYMENT</b>
Annual	Salary
Long Service	Salary
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 - 3

## MAFS System

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### **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 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 (ie is in debit). In the event that no one is in debit then the person with a zero balance or least in credit will be offered the 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 (ie 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 4 Guidelines for Discretionary Sick Leave**

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

### **5.1 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
- Is to be used for illness or injury that exceeds the employees sick leave accrual

### **5.2 Eligibility**

Applies to all permanent employees covered by this Agreement.

### **5.3 Availability of Additional Discretionary Leave**

The Company accepts that there may be occasions when an employee may genuinely need to be absent from work for additional periods of time in order to recover from a serious accident, or chronic illness and, or to undergo medical surgery.

Accordingly, the Company will provide to all employees covered by this Agreement additional periods of paid sick leave (beyond the safety net entitlement) in such circumstances subject to the following requirements:

- I. The award safety net entitlement has been exhausted;
- II. The employee informing the Company prior to the commencement of their absence of their inability to attend work and the anticipated duration of their absence; and
- III. The employee satisfying the Company throughout their absence as to their inability to attend work and the genuineness of their illness or incapacity. (This may involve the employee in supplying medical certificates from their treating medical practitioner and or, co-operating in review discussions with their Manager); and

- IV. The employee genuinely co-operating with the Company in establishing their prognosis for recovery including whether their illness is temporary or ongoing. (This may involve the employee undergoing a specialist medical examination and making the results available to the Company); and
- V. The employee genuinely co-operating in any return to work, or rehabilitation programme offered by the Company. (This may require the employee gaining a medical clearance to resume work from a Company nominated medical practitioner); and
- VI. The employee undertaking not to do anything inconsistent with their recovery or their contract of employment during their absence.

#### 5.4 Duration and Payment of Additional Discretionary Leave

The following factors will be taken into account in determining the specific amount of additional discretionary sick leave to be granted in any individual case:

- I. The nature and severity of the employee's illness, incapacity or surgery and medical advice as to the duration of the employees continuing unfitness or incapacity.
- II. The medical prognosis for the employee's recovery and likelihood of them resuming their normal duties within a reasonable timeframe.
- III. Any medical advice as to the employee's fitness to resume work with reasonable accommodations being made.
- IV. The employee's cooperation and commitment to returning to work medically fit.
- V. The employee's previous attendance history, including length and quality of service;
- VI. The impact of the employee's absence on the business and the Company's ability to cover their work without unreasonable hardship.

The above factors will also be used in the review meeting.

#### 5.5 Reviews

The employee will be reviewed initially at 3 months and thereafter on at least a monthly basis to determine if discretionary sick leave should continue to be provided.

Factors set out under clause 5.4 will be used to determine whether discretionary sick leave will be continued.

The decision to extend discretionary sick leave will be made by the Logistics Manager – Warehousing in conjunction with the HR Manager for SNL.

### 5.6 Ongoing Illness or Incapacity

If it is established on medical evidence that the employee's non work related illness, or incapacity is ongoing, such that they are unlikely to be able to return to work and resume normal duties within a reasonable time frame (generally within three months) the Company will need to consider whether the employee contract of employment should be discontinued. Any such determination will be made by the employee's Manager in consultation with relevant Human Resources Business partner having regard to the needs of the business and the medical evidence available.

Where employment is terminated due to ongoing illness or incapacity, it will be appropriate to provide the employee with notice of termination or make payment at their ordinary rate in lieu of notice.

In some circumstances such employees may be eligible to claim a government disability or sickness pension or a Total Permanent Disability payment.

## **Appendix - 5**

## **Leave Reserved**

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### 5.1 Leave Reserved

Leave is reserved to apply in respect of:

- (a) the introduction of new levels into the classification structure - level 3 and above;
- (b) the right of the AWU to make a work value claim based on the nature of work performed for all levels.
- (c) the rate of pay for work performed at No.2 Products Berth