# **REGISTER OF ENTERPRISE AGREEMENTS**

**ENTERPRISE AGREEMENT NO: EA01/125** 

BHP Steel (AIS) Pty Ltd Port Kembla Bulk Operations Enterprise Agreement 2000

I.R.C. NO:

2000/6050

DATE APPROVED/COMMENCEMENT: 15 December 2000

TERM:

16 months

Registered

Enterprise Agreement

Industrial Registrar

**NEW AGREEMENT OR** 

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GAZETTAL REFERENCE:

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COVERAGE/DESCRIPTION OF

Applies to employees engaged at the Bulk Operations section of the EMPLOYEES:

Shipping Department

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

FILED

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# PORT KEMBLA BULK OPERATIONS ENTERPRISE AGREEMENT 2000

Registered Enterprise Agreement

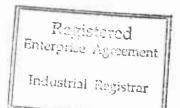
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# BHP Steel (AIS) Pty Ltd (Port Kembla) & Australian Workers Union

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# 1 FACILITATIVE PROVISIONS

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#### 1.1 Title

This agreement shall be known as the "BHP Steel (AIS) Pty Ltd Port Kembla Bulk Operations Enterprise Agreement 2000".

#### 1.2 Parties to this Agreement

This Agreement is between BHP Steel (AIS) Pty Ltd ("BHP") and the Australian Workers Union ("AWU"), New South Wales.

#### 1.3 Scope of this Agreement

This agreement applies to all employees engaged at the Bulk Operations section of the Shipping Department in the positions identified in Clause 7 Classifications.

#### 1.4 Relationship to Award and Enterprise Agreements

The terms of this Agreement prevail over the provisions of the BHP Steel (AI&S) Pty Ltd Port Kembla Steelworks Employees Award 2000 (the 'Steel Works Award') where there are any inconsistencies.

The rates in this agreement shall be in lieu of any monetary entitlement under the following clauses of the Steel Works 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 C	Mixed Functions, in Part D - Appendix -
	Unrestructured Classifications

Employees covered by this agreement are not eligible to receive any additional payments through a bonus, productivity, gain-sharing or any other like scheme that from time-to-time may be extended to Steel Industry employees of BHP Steel (AIS) Pty Ltd or members of the Maritime Union of Australia where that scheme forms part of an enterprise agreement are not entitled to any payment under the 'BHP Steel (AIS) Pty Ltd Port Kembla'. This clause however does not apply to the potential incentive scheme described in Clause 11.1.

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This Agreement replaces the former Enterprise Agreement (EA97/207) registered on 18 November 1997.

#### 1.5 No Extra Claims

There are to be no further claims for increased rates of pay or conditions of employment for the term of this Agreement except for as provided for in Clauses 6.2, 11.1 and 11.2.

#### 2 OBJECTIVES OF THIS AGREEMENT

This agreement is designed to facilitate the development of a work environment in the Bulk Operations Section of the Shipping Department that will encourage and support a very skilled and committed workforce. Teamwork, cooperation, full flexibility, effective work arrangements and employee development are priorities in achieving the Shipping Department's ongoing and sustainable business objectives.

#### 3 ONGOING IMPROVEMENT

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The parties commit to provide a safe, cost effective and highly productive bulk discharge service to the Steel works at Port Kembla. As part of this commitment to achieve best practice the employees, the Company and the Union understand and agree on the need to improve processes and methods of work and to do this on an ongoing basis.

One way to achieve this is to implement processes, systems and structures at a work group level to allow discussion and resolution of business issues. This may include:

- Exploring opportunities to improve efficiency within the work group.
- Identifying and monitoring Key Performance Indicators against actual performance.
- Implementing changes in accordance with the SELL (Safe, Efficient, Legal, Logical) principle.

Employees will benefit from ongoing improvement as they will have greater involvement in determining workplace practices and increased job satisfaction.

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The Company will benefit from the improved performance due to employee involvement (eg reducing costs, improving safety and reliability, high-levels-of-productivity).

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#### 4 COST BENCHMARKING

The future of the Bulk Operations section is inextricably linked to the ongoing capacity of BHP Steel to produce steel and its products at internationally competitive prices. It is important that as a group we understand the cost structure of the bulk discharge operations and benchmark this against best practice.

BHP has undertaken a review of the Bulk Operations cost structures in order to understand the size of the cost gap, if any, between the Bulk Operations costs and the costs of others in the industry. As part of the parties commitment to improvement in the business the parties will review the results of the information obtained from the benchmarking. Based on the information the parties will work together to bridge any cost differentials.

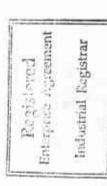
# 5 COMMITMENT TO TEAMWORK SESSIONS

In line with the focus on ongoing improvement and in particular to improve the productivity and viability of our business the parties want to foster greater levels of teamwork throughout the business. As part of this agreement all personnel in Bulk Operations agree to participate in teamwork sessions.

# 6 OTHER ITEMS

# 6.1 Use of Ships Gear

The parties agree to further discussions regarding the use of ships gear to put end loaders in and out of hatches. These discussion will include items such as the training needed, the procedure for undertaking the task including the method of communicating and how we would manage this job within the shift. This issue will be progressed as part of ongoing improvement.



# 6.2 Long Service Leave

The union has advanced a claim for improved Long Service Leave (LSL) entitlements within the industry. BHP has raised concerns about the ability of the industry to sustain additional labour on-costs.

Notwithstanding Clause 1.5 of this agreement, leave is reserved to the union to re-advance during the life of the agreement the matter of the rate of long service leave accrual.

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# 7 CLASSIFICATIONS

#### 7.1 New Entrant

This is a probationary and training position. During the first three months, the New Entrant will be required to obtain all training requirements and certificates applicable to the Bulk Stevedoring Operator Grade 1. After three months, this person will be classified as a Bulk Stevedoring Operator Grade 1 however the New Entrant will be required to gain all certificates and requirements applicable to the Bulk Berths within six months of appointment to the Grade 1 position. At the successful completion of this period the New Entrant shall be classified as a Bulk Stevedoring Operator Grade 2. Employees will be required to carry out these functions in a manner which meets their obligations under safety and environmental laws.

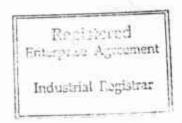
If a New Entrant fails to successfully complete the training required within the six month period, then the parties shall consider any extenuating circumstances which may have existed to prevent this person from completing the training within that specified period. If there are no extenuating circumstances,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

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

# 7.2 Bulk Stevedoring Operator Grade 1

A Bulk Stevedoring Operator Grade 1 is capable and available to perform all duties associated with front-end loader driving, sucker/sweeper driving and other mobile equipment as well as all Bulk Stevedoring tasks with the exception of ore-unloader driving and other crane driving. Employees will be required to carry out these functions in a manner which meets their obligations under safety and environmental laws.

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



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#### 7.3 Bulk Stevedoring Operator Grade 2

A Bulk Stevedoring Operator Grade 2 is available and capable to perform all duties associated with the ore-unloader and other crane driving; front-end loader driving; and all other Bulk Berth duties. Employees will be required to carry out these functions in a manner which meets their obligations under safety and environmental laws.

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

#### 7.4 Bulk Stevedoring Operator Grade 3

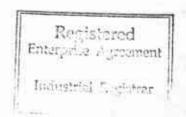
A Bulk Stevedoring Operator Grade 3 will be capable and available to perform all Bulk Berths duties including peripheral supervisory tasks. In addition, the Grade 3 operator shall, by discussion with the Shift Coordinator, assist in the planning and coordinating of the work to be performed during the shift. Employees will be required to carry out these functions in a manner which meets their obligations under safety and environmental laws.

An employee must be prepared to use any of the skills required for the above position as requested. The full scope of this role has not been fully developed. The parties will develop this scope in due course.

# 7.5 Wharf Labourer (Re-structured)

A person employed as a Wharf Labourer (Re-structured) shall undertake all duties previously associated with wharf recording as well as additional duties as rough oxy-cutting; surface preparation and painting; jack-hammering; and other duties as required. This does not include front-end loader driving. Employees will be required to carry out these functions in a manner which meets their obligations under safety and environmental laws.

This position only exists for those employees of the Shipping Department who were employed as Wharf Labourer, at the Shipping Department, prior to the implementation of the re-structured classifications and who, as a result of this, declined involvement in the new classification structure. This classification is not applicable to employees who have come to the Shipping Department since 1992.



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# 7.6 Ore-unloader Driver (Re-structured)

An Ore-unloader Driver (Re-structured) shall undertake all duties associated with the Bulk Stevedoring Operator Grade 2 with the exception of front-end loader driving. Employees will be required to carry out these functions in a manner which meets their obligations under safety and environmental laws.

This position only exists for those employees of the Shipping Department who were employed as Ore-unloader Driver, at the Shipping Department, prior to the implementation of the re-structured classifications and who, as a result of this, declined involvement in the new classification structure. This classification is not applicable to employees who have come to the Shipping Department since 1992.

(NB i) An operator who commenced employment with the Shipping Department after the commencement of the operation of the "Shipping Department Employees (Australian Iron & Steel Pty Ltd - Port Kembla) Enterprise Agreement 1993", that is a New Entrant, shall not be classified into the classifications of Wharf Labourer (Re-structured); and Ore-unloader Driver (Re-structured).

(NB ii) New Entrants must reach the levels of competence described in this clause.

Once an employee has opted to progress into the classification structure, they must then use all of the skills they possess as reasonably requested. The decision to opt into the classification structure is permanent.

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# 8 CONDITIONS OF EMPLOYMENT

#### 8.1 Weekly and Hourly Wage Rates

Outlined below are the ordinary weekly and hourly wage rates for each classification:

Classification	from date of registration		Ordinary Rates Applicable from first full pay period on or after 6 August 2001	
	Per Week	Per Hour	Per Week	Per Hour
New Entrant	\$ 619.20	\$ 16.2951	\$ 637.80	\$ 16.7840
Bulk Stevedoring Operator Grade 1	\$ 729.40	\$ 19.1935	\$ 751.30	\$ 19.7693
Bulk Stevedoring Operator Grade 2	\$ 788.70	\$ 20.7562	\$ 812.40	\$ 21.3789
Bulk Stevedoring Operator Grade 3	\$ 812.90	\$ 21.3911	\$ 837.30	\$ 22.0328
Wharf Labourer (Re-structured)	\$ 678.20	\$ 17.8469	\$ 698.50	\$ 18.3823
Ore Unloader Driver (Re-structured)	\$ 759.00	\$ 19.9735	\$ 781.80	\$ 20.5727

Employees in the above classifications will be paid for the hours worked at the employee's ordinary hourly rate.

Note: The above rates include the Basic Wage of \$121.40 per 38 hour week.



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# 8.2 Shift Penalties

The following shift premiums apply when engaged on continuous shift operations:

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

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#### 8.3 Alignment of Start & Pay Times

To simplify existing arrangements the parties shall align the start and pay times to the hour as follows:

Day shift 0700 hours
Afternoon shift 1500 hours
Night shift 2300 hours

These times will be used in lieu of the start and finish times contained in the Steel Works Award for all purposes of the Steel Works Award including calculation of overtime payments.

The alignment of start and pay times to the hours will not impact on the existing arrangements for hot seat changeovers.

#### 8.4 Flexible Shift Arrangements

#### 8.4.1

In order to ensure continuity of operations at the change of shifts, on a consistent basis, a review of the current flexible shift arrangements will be carried out.

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In consultation with employees, this review will focus on critical functions, ie unloader driving and front-end loader driving. Any outcome will be introduced by agreement.

#### 8.4.2

Employees on the outgoing shift are to remain on-the-job until they are relieved by their nominated relief on the incoming crew.

#### 8.4.3

Overtime will be paid from the normal shift finishing time.

#### 8.4.4

Late arrivals are to be docked as from the normal shift starting time. (See 8.3 above)

# 8.5 Reversion to Day Shift

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BHP shall not revert stevedoring employees to day shift unless a substantial and/or "significant break in shipping" is to occur at the Bulk Berths. Prior to reverting employees to day shift, discussions will be held with affected parties.

#### 8.6 Other Conditions of Employment

Subject to Clause 1.4 of this agreement and subject to Clause 8.6.1 of this Clause, all other conditions of employment which are not addressed by this enterprise agreement relating to the Shipping Department employees, will continue to be prescribed by the Steel Works Award

The following provisions of the Steel Works Award shall apply subject to the amendment set out below:

#### 8.6.1 Clause 23, Public Holidays

Delete from Clause 23.1 "ordinary rates of pay under clause 6.1, Rates of Pay or clause 8, Special Rates (All Purpose), of this award or corresponding clause of a federal award, and the applicable bonus." and insert in lieu "stevedoring employee's ordinary hourly rate applicable to that employee under the terms of the 'BHP Steel (AIS) Pty Ltd Port Kembla Bulk Operations Enterprise Agreement 2000'."

#### 8.6.2 Clause 24, Sick Leave

Delete from subclause 24.1 "ordinary time rates of pay and applicable bonus payment". Insert in its place "the stevedoring employee's ordinary hourly rate applicable to that employee under the terms of the 'BHP Steel (AIS) Pty Ltd Port Kembla Bulk Operations Enterprise Agreement 2000'."



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#### 8.6.3 Clause 29, Jury Service

Delete "his or her ordinary time rate of pay and applicable bonus for the period he or she would have worked had he or she not attended for jury service" and insert "the stevedoring employee's ordinary hourly rate applicable to that employee under the terms of the BHP Steel (AIS) Pty Ltd Port Kembla Bulk Operations Enterprise Agreement 2000'."

#### 8.6.4 Clause 30, Compassionate Leave

- (A) Delete from Subclause 30.1 "without deduction from pay" and insert in its place "at the stevedoring employee's ordinary hourly rate applicable to the employee under the terms of the 'BHP Steel (AIS) Pty Ltd Port Kembla Bulk Operations Enterprise Agreement 2000'."
- (B) Delete from subclause 30.1 "In addition to the ordinary time rate of pay, the employee will be paid the amount of over award or bonus he/she would have otherwise received during ordinary working hours."

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# 9 OPERATIONAL REQUIREMENTS

#### 9.1 Operating Units

Crew sizes have previously been subject to discussion between BHP, its employees and the AWU. Any further proposals for change will genuinely be discussed between all parties, using the consultative processes available, once the nature of the changes are relatively clear.

The number of persons required for each operating unit will take into account all operational and safety requirements for the discharging or the loading of the particular cargo at that time. This may change from time-to-time depending on the cargo being discharged or loaded and will not be used as a basis by either BHP or the AWU to pre-determine the number of employees required in other circumstances.

BHP will work on the following as the minimum required numbers for the operating units:

Number of Operating Units	Minimum Number of Employees	Plus Iron Chieftain
1	4	6
2	6	8
3	10	

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It is noted that the crane associated with the Iron Chieftain is not counted as an operating unit in the left hand column of this table. During Iron Chieftain discharge operations there will be one employee and one relief assigned to that crane.

#### 9.2 Rotation of Operators

Instances may arise from time-to-time which, for operational reasons, require the alteration of the rotation of operators through bulk berth functions. This is specifically with regard to meeting critical sailing times driven by tidal requirements on incoming vessels. Any such alteration will be made subject to consultation and agreement with employees affected.

In consultation with employees a review of No 2 Bulk Berth discharge capability is to be conducted with the view of maximising No 3 Unloader discharge efficiency and front-end loader trimming operations. Any outcome reached by the parties will be implemented by agreement.

#### 9.3 Sucker/Sweeper Operation

BHP will make available, subject to ongoing safety, efficiency and cost considerations, sucker/sweeper equipment.

Employees agree to use the equipment to its full range of capabilities, including vacuuming and sweeping on the berths.

Through a process of consultation and agreement, the use of the sucker/sweeper in holds may be explored.

# 10 TRAINING

Shipping Department employees need to have a full understanding of the industry; safety; the key processes involved in the Shipping Department; the customer's operations and requirements; Quality Processes; and other relevant issues. This has to be up-to-date and has to be up-dated as these requirements develop.

Training schedules have been developed and will continue throughout this enterprise agreement and beyond. These schedules assist people in progressing to either Grade 1 or Grade 2 status and the training will generally comprise on-the-job, classroom, familiarisation and certification training as required. Training in equipment knowledge, as well as equipment and component inspection, cleaning of equipment, surface preparation and painting will be provided as required.

Similarly, OHS&E is an important factor in our day-to-day work. As such,

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training will be provided to ensure relevant and up-dated knowledge on safe working practices and procedures as well as risk identification, prevention and management.

Although the Grade 3 position has yet to be developed, it will require a comprehensive selection process to select the job holders and these people will require relatively extensive training. The selection criteria shall comprise an agreed procedure to:

- identify a person with potential to train and to acquire the skills for the position
- identify whether a person has an appropriate literacy and numeracy standard or identify those people who have the ability to progress to this standard, and
- ensure the selection process is fair and provides an equal opportunity for all within the context of the requirements for the position.

The parties envisage a limited number of positions being required for the Product Stevedoring Operator Grade 3 and the Bulk Stevedoring Operator Grade 3.

Training for the Grade 1 and Grade 2 positions will be voluntary for those employees who were in the Shipping Department prior to the signing of the 1993 Enterprise Agreement. However, for those employees joining the department since that time, they will have to undergo training up to the Grade 2 level. Those employees who successfully apply for a Grade 3 position will have to undertake and successfully complete all the required training.

# 11 MISCELLANEOUS

# 11.1 Introduction of a Bulk Operations Incentive Scheme

The parties have agreed in principle to discuss the introduction of an incentive scheme that is specific to the Bulk Operations Section. The key features of any incentive scheme would need to include the following:

- Align employee rewards with success in the Bulk Operations business
- Be focused on meeting the business objectives of the Shipping Department
- Be formulated so as not to increase the costs of operating the department

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#### 11.2 GST Clause

This agreement is made in the expectation that the combination of wage increases flowing from this agreement and planned personal income tax cuts will offset anticipated inflation over the period (including the one-time inflationary impact of the GST). If during the period of this agreement the annual inflationary level of GST has a significant detrimental and unanticipated impact on employees, the union may seek discussion for a renewal Agreement earlier than April 2002.

#### 11.3 Term

This agreement shall operate from the date of registration until 6 April 2002.

#### 12 SIGNATURES

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

this 9 7 12

day of No 15152000

in the presence of

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

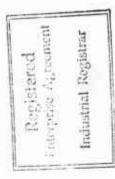
this

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day of November 2000

in the presence of

Joneen Brest



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