

**REGISTER OF
ENTERPRISE AGREEMENTS**

ENTERPRISE AGREEMENT NO: EA3/01

TITLE: Incitec Kooragang Island Maintenance and Shutdown Agreement

I.R.C. NO: 2000/6004

DATE APPROVED/COMMENCEMENT: 19 December 2000/ 15 December 2000

TERM: 22 months

**NEW AGREEMENT OR
VARIATION:** New

GAZETTAL REFERENCE:

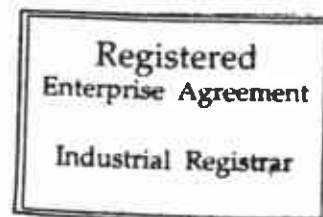
DATE TERMINATED:

NUMBER OF PAGES: 16

COVERAGE/DESCRIPTION OF

EMPLOYEES: Applies to all employees engaged in engineering, metal working and fabrication and civil construction work at the Kooragang Island site

PARTIES: HR Forge & Engineering Pty Limited -&- Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union, New South Wales Branch, Electrical Trades Union of Australia, New South Wales Branch, The Australian Workers' Union, New South Wales



ENTERPRISE AGREEMENT

GENERAL

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1. NAME OF AGREEMENT

The Incitec Kooragang Island Maintenance and Shutdown Agreement.

2. APPLICATION & INCIDENT OF AGREEMENT

This Agreement shall regulate the wages and define the conditions of employment for employees and Sub-Contractors of HR Forge & Engineering Company Pty Ltd engaged on the Incitec Kooragang Island Site (the Incitec Site) engaged under the Strategic Partnership with Incitec Ltd , and working under the control of HR Forge & Engineering Company Pty Ltd.

This Agreement applies to Engineering, Metal Working and Fabrication and Civil Construction work carried out during Maintenance and Shutdowns.

This Agreement does not apply to "on site construction work" as defined in the "National Metal and Engineering On Site Construction Industry Award 1989".

The increases prescribed by this Agreement are inclusive of all National Wage Case increases which may occur over the life of this Agreement.

3. PARTIES BOUND

This Agreement shall be binding upon, The Australian Workers' Union of NSW, the Automotive, Food, Metals, Engineering, Printing & Kindred Industries Union (NSW Branch) and the Electrical Trades Union of Australia (the Unions) ;

HR Forge & Engineering Co. Pty. Limited (the Company) and its employees engaged on work defined in Clause 2 (the Employees); and

Subcontractors of HR Forge & Engineering Co Pty Limited who are members of the Australian Industry Group (the Subcontractors) and their employees engaged on work defined in Clause 2 (the Employees).

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4 EXHIBIT 2
PLANT
15/12/00

4. DATE & PERIOD OF OPERATION

This Agreement shall come into force from the beginning of the first pay period to commence on or after ~~the date of~~ 15.12.00 approval and shall remain in force until 1st October 2002.

5. RELATIONSHIP TO PARENT AWARD

This Agreement shall be read and interpreted wholly and in conjunction with the Metal & Engineering & Associated Industries Award 1998 and the Electrical, Electronic and Communications Contracting Industry (State) Award where applicable, provided that there is any inconsistency between this Agreement and the above mentioned Awards, this Agreement shall take precedence to the extent of the inconsistency.



6. WEEKLY WAGE RATES

CLASSIFICATION			APPLYING 1/10/00 \$	APPLYING 1/4/01 \$	APPLYING 1/10/01 \$	APPLYING 1/4/02 \$
Tradespersons						
Level 1			668.80	682.17	695.80	709.71
Level 2			707.30	721.45	735.88	750.60
Level 3			746.00	760.92	776.13	791.65
Non Tradespersons						
Base Maintenance Assistant			578.60	590.17	601.97	614.00
Experienced Mtce. Assistant			617.40	629.74	642.33	655.17
Rigger			655.90	669.00	682.38	696.00

- In calculating an hourly rate, the above weekly rates are divided by 38.
- The above rates are to be paid for all purposes of this Agreement.

Special Rates

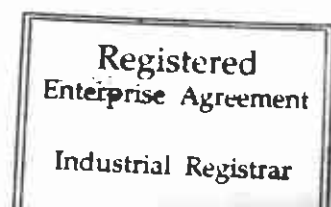
The above rates are inclusive of and are in lieu of allowances as prescribed in the parent Award Clause 17, Special Rates. Electricians with an Electricians Licence shall be paid an additional allowance of \$25.25 per week or as varied by the parent Award.

Tool Allowance

The above rates are inclusive of any tool allowance payable in accordance with parent Industries Award provisions.

7. PAYMENT OF WAGES

Payment of wages for all employees will be by Electronic Funds Transfer (E.F.T.) to a maximum of two (2) bank accounts.



8. INCLEMENT WEATHER

The parties will collectively work towards minimisation of lost time due to inclement weather. The parties undertake that work will continue where it is safe to do so. If it is unsafe then alternate work that is within the scope of each employees skill, competence and training will be made available where practicable. If that is not possible then all employees and management will make constructive use of the time by arranging safety, process improvement sessions, plant equipment maintenance or relevant and constructive skill development sessions.

9. EFFICIENCY, PRODUCTIVITY AND FLEXIBILITY

(a) Work Obligations

Subject to the provisions of this Agreement, all employees shall be engaged on a weekly basis (full time or part time) or on a casual basis.

All new permanent employees will be engaged for a probationary period of 3 months to determine their suitability to carry out tasks required.

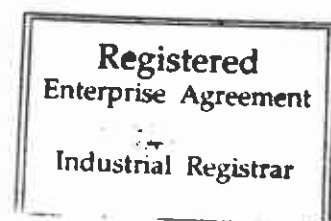
(b) Performance of Work

It is a Term & Condition of Employment and the rights applying under this Agreement that an employee:

- (i) Attends work during the rostered ordinary hours of work and that the employee not be absent from work on any such day without prior approval from the Company.
- (ii) Performs such work to the best of their ability, as the Company at all times reasonably requires.
- (iii) Participates in training and be accredited in work skills and knowledge to become a flexible member of the work team.
- (iv) In the case of a Shift Worker continues to work until relieved by a counterpart on the incoming

shift or until the Company is able to make suitable arrangements to cover the position.

- (v) Notifies the Company if unable to work within one hour of the commencement of the Rostered Shift giving the reason for the absence and the anticipated duration of absence.
- (vi) Utilise Skills and knowledge the employee possesses on the Incitec Site without reservation.
- (vii) Work reasonable overtime in addition to the rostered hours of duty if so required.
- (viii) Uses as directed by the Company or a Supervisor engaged by Incitec Ltd at the Incitec Site, protective clothing and equipment provided at all times during each shift.
- (ix) Complies with the Occupational Health and Safety Act, and the O.H. & S. policies of the Company and Incitec Ltd..
- (x) Maintains an orderly and safe workplace including keeping the workplace and equipment in a clean and Safe Condition.
- (xi) Complies with the Procedures for Resolving Claims, Issues and Disputes specified in Clause 16 at all times.
- (xii) Complies with the operational requirements of the tool and equipment issue system on the site, and accepts responsibility for such tools and equipment.
- (xiii) Complies with the timekeeping and gate pass requirements of the Site accepting that the systems are in place for registering all site personnel in the case of any safety emergency and also necessary for accurate payment of wages for hours worked.
- (xiv) Accepts that Incitec is a "No Smoking" site with smoking permitted only in designated areas and only in scheduled work breaks.
- (xv) Shift notice in order to best service and respond to the operation needs of the Incitec Site, a minimum of ten hours notification will be required for change of shifts.



- (xvi) Participates in the preparation of detailed Job Safety Analysis for all work carried out on Site. Takes all precautions detailed in the Job Safety Analysis documents.
- (xvii) Participates in the completion of Quality Test and Inspection Plans by signing off when each step of the job has been completed in accordance with work instructions.

10. OCCUPATIONAL HEALTH AND SAFETY

Incitec and the Company have developed a Safety Management Plan for the Site that will provide the framework for all employees on the site to contribute positively towards achievement of the following safety objectives.

- No injuries to anyone.
- 100% occupational health compliance.
- Site Safety Inductions for all Site personnel.
- Effective U.A.P. awareness and audit program.
- Daily Job Start Safety Meetings.
- Job Safety Analysis for every job.
- All work will be carried out under a current Safe Work Permit.

11. CASUAL EMPLOYMENT

- (i) A casual employee, is an employee engaged and paid as such and whose employment may be terminated upon one (1) hours notice.
Casual employees will be paid a Loading of 20%. The Loading will be applied to the calculation of Overtime hours paid.
- (ii) Supplementary Labour will be paid in accordance with the terms of this clause.

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12. INCREASES DURING TERM OF AGREEMENT

The wage rates set out in Clause 5 of this Agreement, Weekly Wage Rates incorporate increases in accordance with the following Schedule:

- From 1st April 2001 2%
- From 1st October 2001 2%
- From 1st April 2002 2%

13. NO EXTRA CLAIMS

It is a Term of Agreement that Unions will not pursue any extra Claims Award or Over-Award for the life of this Agreement.

There shall not be any "double Counting" in respect of any future variations to the rates of pay or classifications in the parent Award.

14. RENEWAL OF AGREEMENT

The parties agree that two (2) months before the expiry of this Agreement, negotiations will commence on the renewal / replacement of this Agreement.

15. NOT TO BE USED AS A PRECEDENT

This Agreement shall not be used in any manner whatsoever to obtain similar arrangements or benefits in any other plant or enterprise.



16. PROCEDURES FOR RESOLVING CLAIMS, ISSUES & DISPUTES

All parties of this Agreement recognise and accept that people have differing view points and hence conflict will arise

from time to time. To ensure the viability of the Company and the job security of employees, it is agreed that it is in the interest of all parties to manage the resolution of conflict by means which do not damage the Company's business or its relationships with subcontractors or with Incitec Ltd.

To enable claims, issues and disputes to be progressed while work proceeds normally and without interruption, the procedures outlined in this Clause will apply:

- (i) Employees and/or the delegate of the unions/s will place the claim, issue or dispute before the front line Supervisor. This group will take all reasonable steps to settle the matter together.
- (ii) Failing agreement all parties will place the claim, issue or dispute before the Site Manager. This group will take all reasonable steps to settle the matter.
- (iii) If the claim, issue or dispute remains unsettled, the delegate/s an/or employee/s will contact the Union Official immediately, who will arrange a conference with the Company in order to try to settle the matter.
- (iv) If the procedures fail to settle the matter in dispute the parties will refer the matter to the Industrial Relations Commission for assistance. The above procedures will be progressed promptly, but reasonable limits will be applied.

Where a claim, issue or dispute relates to a Safety Matter the above procedure (i) , (ii) and (iii) is to be followed. However, where an Occupational Health & Safety Committee exists, the Committee or a member of the Committee may be involved in assisting the settlement of the matter. Upon advice that a Safety dispute exists, the Supervisor will take immediate corrective action to allow work to continue without risk to health and safety. Nothing in this procedure changes the rights and obligations employees , the Company or Incitec Ltd have under the New South Wales Occupational Health and Safety Act 1983.

In order to ensure continuity of work during shutdown or breakdown periods, it is the clear intention of the parties to this agreement, not to take industrial action while the procedures for resolving claims, issues and disputes are being progressed.

No party shall be prejudiced simply by the fact that work continued whilst the above process was being followed.

17. IMPACT OF CLIENT INDUSTRIAL DISPUTE ON WORK & SUBCONTRACTORS WORK.

When the employees and Subcontractors and their employees are working within the boundaries of the Incitec Site and Incitec employees enter upon an industrial stoppage, the employees, sub contractors and their employees will continue to work where:

- (i) The work is in the terms and specifications of a specific contract, whether described by the client as "Capital", "Service" or "Maintenance".
- (ii) Can be continued without carrying out any work of employees of Incitec Ltd who are on strike. In instances where work cannot continue because of the stoppage, there will be no restriction on work carrying on in the workshop/s of the Company or subcontractors (whether or not within Incitec's Site) or carrying out work at another contract location.

18. OVERTIME – PAYMENT FOR WORKING OVERTIME

1. Subject to subclause (2) for work done outside ordinary hours, the rates of pay shall be time and one half for the first two (2) hours and double time there after, such double time to continue until the completion of overtime work.
2. Overtime worked on Sundays, public holidays and by a shift worker who is required to continue work due to the absence of his/her relief worker, will be paid in accordance with the parent award.



19. CLASSIFICATION DEFINITIONS

- (1) **Level 1 Tradesperson**
Is an employee holding a Trades Certificate.
- (2) **Level 2 Tradesperson**
Is an employee holding a Trades Certificate and who holds and uses as required in the course of work with the employer any two (2) of the following:
- Class 3 or 5 drivers Licence
 - First Aid Certificate
 - Hydraulics Certificate
 - Pneumatics Certificate
 - MIG Welding
 - TIG Welding
 - Crane Chasing Certificate
 - Pressure Welding Certificate
 - Basic Fitting – Turning Skills (Boilermaker)
 - Basic Welding & Oxy Cutting Skills (Fitter)
 - Electrical Isolation
 - Fork Lift Ticket
 - Rigger 1 Certificate
- (3) **Level 3 Tradesperson**
Is an employee holding a Trades Certificate and who holds and uses as required in the course of work with the employer any four (4) of the following or is an Electrical Tradesman :
- Class 3 or 5 drivers Licence
 - First Aid Certificate
 - Hydraulics Certificate
 - Pneumatics Certificate
 - MIG Welding
 - TIG Welding
 - Crane Chasing Certificate
 - Pressure Welding Certificate
 - Basic Fitting – Turning Skills (Boilermaker)
 - Basic Welding & Oxy Cutting Skills (Fitter)
 - Electrical Isolation
 - Fork Lift Ticket
 - Rigger 1 Certificate



19. CLASSIFICATION DEFINITIONS

(4) Basic Non-Trades Employee

Is an employee who does not hold any formal qualifications, however, can perform work in any of the following areas:

- Storeman
- Concreting
- Trades Assistant
- Fencing

(5) Experienced Non-Trades Employee

Is an employee who holds and uses as required in the course of work any four (4) of the following:

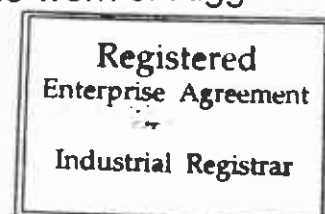
- Class 3 or 5 Drivers Licence
- Rigger 1
- Experienced Steel Fixer
- Crane Chaser Certificate
- Dogmans Certificate
- Fork Lift Ticket
- Basic Oxy Cutting Skills
- Power Tool Operators Certificate
- First Aid Certificate

(6) Rigger

Is a person who holds a Rigger 1 Certificate and uses as required in the course of work any three (3) of the following:

- Class 3 or 5 Drivers Licence
- Scaffolding Certificate
- Dogmans Certificate
- Fork Lift Ticket
- Basic Oxy Cutting Skills
- Basic Welding
- Crane Drivers Certificate

An employee classified as a Rigger will work assisting Tradesmen as required and will supervise the work of Rigger permitted employees.



20. ANTI-DISCRIMINATION

- 1) It is the intention of the parties bound by this award to seek to achieve the object in section 3(f) of the *Industrial Relations Act 1996* to prevent and eliminate discrimination in the workplace. This includes discrimination on the grounds of race, sex, marital status, disability, homosexuality, transgender identity and age.
- 2) It follows that in fulfilling their obligations under the dispute resolution procedure prescribed by this award the parties have obligations to take all reasonable steps to ensure that the operation of the provisions of this award are not directly or indirectly discriminatory in their effects. It will be consistent with the fulfilment of these obligations for the parties to make application to vary any provision of the award which, by its terms or operation, has a direct or indirect discriminatory effect.
- 3) Under the *Anti-Discrimination Act 1977*, it is unlawful to victimise an employee because the employee has made or may make or has been involved in a complaint of unlawful discrimination or harassment.
- 4) Nothing in this clause is to be taken to affect:
 - a) Any conduct or act which is specifically exempted from anti-discrimination legislation;
 - b) Offering or providing junior rates of pay to persons under 21 years of age;
 - c) Any act or practice of a body established to propagate religion which is exempted under section 56(d) of the *Anti-Discrimination Act 1977*;
 - d) A party to this award from pursuing matters of unlawful discrimination in any State or federal jurisdiction.
- 5) This clause does not create legal rights or obligations in addition to those imposed upon the parties by the legislation referred to in this clause.

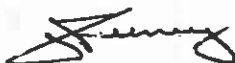


SIGNATORIES TO THE AGREEMENT

SIGNED ON BEHALF OF

HR Forge & Engineering Co Pty Ltd.
 ABN – 96 851 146 302

Name: Gary Feeney
 Title: Managing Director.



Dated this 20th day of October. 2000

SIGNED FOR AND ON BEHALF OF

The Australian Workers' Union of NSW

Name: Mark [Signature]
 Title: ASSISSTANT SECRETARY.

Dated this 17TH day of OCTOBER 2000

The Automotive, Food, Metals, Engineering, Printed & Kindred
 Industries Union (NSW Branch)

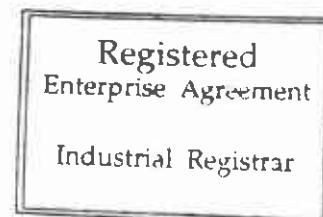
Name: [Signature]
 Title: ASST SECRETARY

Dated this 03rd day of October 2000

Electrical Trades Union of Australia

Name: B. [Signature]
 Title: SECRETARY

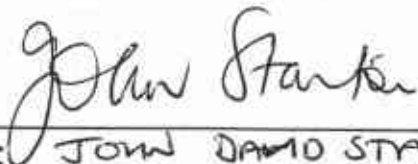
Dated this 19TH day of October 2000



SIGNATORIES TO THE AGREEMENT

SIGNED ON BEHALF OF

Australian Industry Group
On behalf of Subcontractors



Name: JOHN DAVID STANTON

Title: MANAGER, NEWCASTLE & NORTHERN

Dated this 28th day of November 2000

