

**REGISTER OF
ENTERPRISE AGREEMENTS**

ENTERPRISE AGREEMENT NO: EA01/313

TITLE: OK Steelex Enterprise Agreement 2001

I.R.C. NO: 2001/6416

DATE APPROVED/COMMENCEMENT: 5 October 2001/ 5 May 20001

TERM: _____ 12 months

**NEW AGREEMENT OR
VARIATION:** New

GAZETTAL REFERENCE: 16 November 2001

DATE TERMINATED:

NUMBER OF PAGES: 23

COVERAGE/DESCRIPTION OF

EMPLOYEES: Applies to all employees engaged pursuant to the General Construction and Maintenance, Civil and Mechanical Engineering & c. (State) Award

PARTIES: OK Steelex Pty Ltd -&- The Australian Workers' Union, New South Wales

Enterprise bargaining agreement between

OK STEELEX PTY LTD

and

**THE AUSTRALIAN WORKERS' UNION,
GREATER NEW SOUTH WALES BRANCH**

Registered
Enterprise Agreement
Industrial Registrar

1. TITLE

This agreement shall be known as the OK Steelix Enterprise Agreement 2001.

2. ARRANGEMENT

<u>Clause</u>	<u>Subject</u>
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6	No extra claims
7	Consultation and dispute resolution
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22	Hours of work
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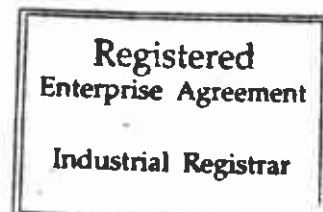
Registered
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26	Training
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3. OBJECTIVES OF THE AGREEMENT

The objectives of the agreement are to:

- Contribute to long term improvement in the company's performance in regard to profitability, market share, competitiveness and so support the labour cost increases which are included herein;
- Provide the means by which management and its employees can introduce significant flexibility at the workplace and promote management practices geared towards matching international best practice standards, through implementation of the efficiency measures contained herein and the promotion of a culture of continuous learning and improvement; and
- Provide an improved employment environment that encourages and rewards safe working practices, high quality of work, self-improvement, and which will provide increased job – satisfaction and security of employment.



4. COMMITMENT

The parties to this agreement commit themselves to ensuring that the objectives of the agreement are achieved in the following ways:

- Through consultation and a free flow of information, the development of an environment where there will be better understanding between the company and its employees;
- Actual implementation of the efficiency measures in this agreement to achieve real gains in productivity, but not at the expense of health and safety standards;
- Establishment of quality procedures; and
- Ensuring that the dispute settlement procedure provided in the agreement are strictly adhered to.

5. PARTIES, SCOPE AND DURATION

5.1 *Parties bound*

This agreement shall be binding on OK Steelex Pty Ltd and The Australian Workers' Union, Greater New South Wales Branch;

5.2 *Scope*

This agreement shall apply to all employees of the company covered under the General Construction and Maintenance, Civil and Mechanical Engineering & c. (State) Award;



5.3 Relationship to parent award

This Agreement shall be read in conjunction with the General Construction and Maintenance, Civil and Mechanical Engineering & c. (State) Award, and shall prevail to the extent of any inconsistency with that Award. Where there is no inconsistency the said Award shall apply.

5.4 Period of operation and Termination of Agreement

This agreement shall come into effect from 1 May 2001 and shall have a nominal term of 30 May 2002, unless terminated beforehand in accordance with section 44 of the Industrial Relations Act 1996 (NSW).

5.5 Existing rates of pay

No employee's ordinary rate of pay shall be reduced as a result of this agreement.

5.6 Agreement voluntary

This agreement was not entered into under duress by any party to it.

5.7 No precedent

This agreement shall not be used in any manner whatsoever to obtain similar arrangements, conditions or benefits in any other enterprise.

6. NO EXTRA CLAIMS

The parties agree not to pursue any extra claims against each other for the life of the agreement.



7. CONSULTATION AND DISPUTE RESOLUTION

Consultation and participation are vital elements in seeking improved industrial relations. In an endeavour to keep the workforce informed, a consultative committee established whereby the workforce will be able to have input into decision making. The committee shall comprise representatives of management and employees, and its main task will be to monitor the operation of this agreement. The committee shall meet each six months or more frequently if required. The decisions and recommendations of the committee will be communicated to all employees.

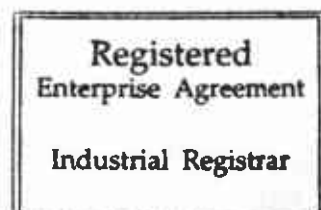
7.1 *Dispute settlement procedure*

The parties to this agreement are committed to minimising the incidence of lost time or production arising out of disputes or grievances, and to resolving any disputes by consultation and co-operation. Further the parties commit themselves to:

- Resolving any disputes without recourse to industrial action; and
- Acceptance of determinations of the WorkCover Authority or persons accredited by it in health and safety issues.

It is agreed that the following procedures will be adhered to at all times:

- i. Disputes on any work related or industrial matter shall be dealt with as close to the source as possible;
- ii. The dispute shall be referred by the employee to the employee's immediate supervisor or foreman;
- iii. If the matter remains unresolved the employee(s) will forward the matter to senior management;

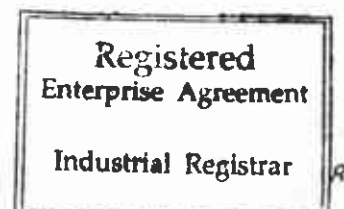


- iv. If the matter remains unresolved the employee may refer the matter to the relevant union official who will submit the issue to senior management;
- v. All work will continue as normal whilst these dispute settlement procedures are being followed or until the matter is resolved;
- vi. If not resolved at this stage the matter will be submitted to the Industrial Relations Commission of New South Wales for determination;
- vii. The above procedures will apply in the event of a safety issue. In such an event, normal work shall continue in areas that the area subject of the dispute, and employees in that area shall be relocated to other areas/sites, or undertake training, forward planning, or other appropriate activities, until the matter is resolved. No employee shall be permitted to work in an unsafe area other than for safety rectification purposes.

8. OCCUPATIONAL HEALTH AND SAFETY

The parties to this agreement are committed to the safe operation of machinery and equipment, to the observance of safe working practices, the proper use of all personal safety equipment and to the safety and good health of all employees and other persons who may enter the workplace. To facilitate this it is provided that:

- i. It is the company's obligation as far as is reasonably practicable to provide a safe and healthy workplace;
- ii. It is each employee's obligation to take reasonable care for the health and safety of other persons in the workplace who may be affected by his/her act or omissions and to co-operate with the company in ensuring that the workplace is healthy and safe;



- iii. Any worker becoming aware of a situation which is actually or potentially unsafe will immediately report the situation to his/her supervisor or appropriate management representative;
- iv. All issued safety equipment, clothing and footwear must be used and worn in the manner intended;
- v. It is strictly against the rules of the workplace to misuse, interfere with, or make inoperative, any safety equipment, guards or fire protection equipment;
- vi. Horseplay at the workplace is dangerous and can lead to the injury of those involved or bystanders, and is therefore prohibited;
- vii. Any damage to plant or equipment must be reported to the appropriate supervisor or management representative as soon as possible; and
- viii. And breach of workplace safety rules and policies, or of the above provisions may lead to disciplinary action or dismissal;

9. RATES OF PAY

9.1 *Rates of pay*

The Rates of pay set out in appendix A shall apply from 1 May 2001. The rates represent substantial increases above the current award rates depending on the employee's classification and work location and include all industry and special allowances. In addition, the above rates are in lieu of all special rates and multi-storey allowances payable under the award. If at any time the rates of pay under this agreement are less than the award rate, the award rate shall apply.

9.2 *Wage increases throughout the life of the agreement*

While the agreement is in force the rates of pay and applicable allowances shall be increased as set out in appendix A

9.3 *Site allowances*

Where under its contractual obligations for particular projects/sites, the company is obliged to pay productivity or site allowances (including those awarded by the relevant industrial tribunals) the following conditions shall apply;

- a. Such allowance shall be paid for actual hours worked and shall only be paid to its employees where the company is contractually entitled to recover the full cost of such allowances; and
- b. Where any agreement under which such allowances arise provides for productivity measures not included in this agreement the company may, at its discretion, adopt some or all of those additional measures for the duration of that project;

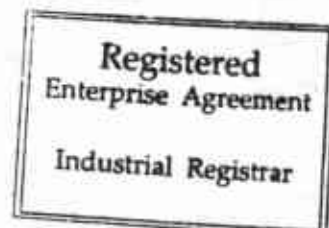
9.4 *Clothing*

Personal protective equipment shall be supplied and replaced on a fair wear and tear basis including but not limited to:

- a. Steel capped safety shoes, safety helmets with brim, ear protection, sunscreen, safety glasses and wet weather jackets.

The following clothing shall be issued each September and again in May to each permanent employee who has accumulated 152 hours of service;

- a. One (1) collared shirt, one (1) pair of trousers or track suit pants or shorts (alternatively, one (1) pair of overalls may be substituted for the shirt and pants).



Information from the Cancer Council shall be supplied with all clothing issue outlining the dangers from exposure to the sun and the prevention of skin cancer.

9.5 Top-Up / 24 Hour Income Accident Protection Insurance

It is a term of this agreement, that upon signing, the company will provide, if not already in existence agreed additional insurance coverage for employees of the company in accordance with the prevailing industry standard.

10. DAILY FARES

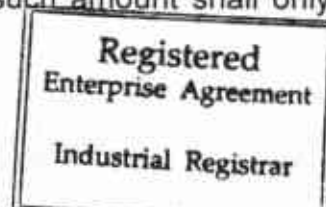
Employees shall be paid the daily fares allowance as defined under clause 25 compensation for travel pattern and mobility requirements of the award. however, the company is prepared to pay an additional amount to offset taxation and will pay an amount of \$19.45 per day from 1st May 2001.

11. SUPERANNUATION

The company shall make superannuation contributions on behalf of each eligible employee of \$70.00 per week to a complying fund pursuant to the Construction and Building Unions Superannuation Scheme (C+BUSS) and the Superannuation Guarantee Charge Act of the Commonwealth. This amount will increase to \$80.00 per week from 1st January 2002.

12. REDUNDANCY

The company shall make redundancy payments on behalf of each eligible employee, at the rate of \$55.00 per week into the Australian Construction Industry Redundancy Trust Fund (ACIRT). This amount shall increase to \$60.00 per week as from 1 January 2002. In the event that the company is required to make additional contributions when working on a site with a registered site agreement / award in place, such amount shall only be paid



where the company is contractually entitled to recover the additional contributions from the principal or head contractor. Payment of entitlements from this fund shall be made direct to the employee by the fund. Contributions in respect of apprentices shall be made as per the award.

13. CONTRACT OF EMPLOYMENT

13.1 *Engagement of employees*

All prospective employees shall complete an application for employment form prior to engagement. Applicants may be required to undertake a pre-employment medical, the cost of which will be born by the company. Any employee who knowingly provides false information in his/her application or in the medical may be dismissed. All employees (other than casuals) shall initially be engaged on probation for a period of three months, and shall be paid for as daily hire. During this period should either party not be satisfied with the relationship, employment may be terminated by either party without recrimination and such termination shall not constitute harsh, unjust or unreasonable termination.

13.2 *Termination of employment*

Employment (other than casuals) may be terminated by the giving of one day's notice from either side, or one day's pay shall be paid in lieu or forfeited. Nothing in this clause shall affect the right of the company to dismiss an employee without notice for misconduct or refusal of duty.

13.3 *Casual employment*

The company may engage casual employees for a period of up to 60 days in any one engagement, subject to the following:

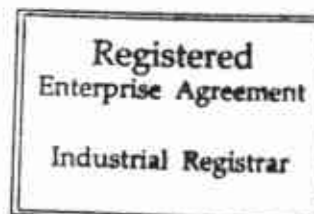
- i. A casual employee for working ordinary time shall be paid at the relevant rate as prescribed in clause 9 of this agreement for each hour worked, plus a loading of 20%. The loading herein is

- in lieu of public holidays, annual leave, sick leave, redundancy and to compensate for the nature of casual employment.
- ii. A casual employee shall be paid for a minimum of two (2) hours work per day;
 - iii. Casual employees shall be entitled to the benefits of clauses 9 (classifications and rates of pay), clause 22.2 (overtime), and, subject to their earning more than \$450.00 in any month, clause 11 (superannuation), but shall not shall be entitled to any redundancy contribution as specified in clause 12.
 - iv. Casual employment may be terminated by the giving of one (1) hour's notice from wither side, or payment or forfeiture of one hour's pay; and
 - v. Casual employees shall be required to have appropriate footwear on commencement with the company.

14. MEAL BREAK DURING ORDINARY HOURS

There shall be a cessation of work and working time for the purpose of a meal on each day of no less than 30 minutes which shall be taken no more than 5 hours after commencement of ordinary working hours on that day. Notwithstanding the above, by agreement between the company and the employees affected, the time of commencement of the meal break may be staggered, varied, no break taken, or its duration extended to meet the reasonable requirements of that day's work. Where the meal break is not taken, the ordinary hours of work for that day shall cease 30 minutes before the usual ceasing time. Where the meal break is extended the time of cessation of work for that day shall be adjusted accordingly.

In addition to the above, all employees be entitled to a paid morning tea break of 20 minutes duration.



15. DISCIPLINARY PROCEDURES

15.1 *Disciplinary procedures*

Where the company believes that an employee is not meeting the standards of performance or conduct reasonably expected of him/her, the following procedures shall apply:

- a. In the first instance the employee shall be counselled as to where his or her performance/conduct is deficient; and (where appropriate) the steps to be taken to remedy the deficiency shall be identified, and a review period shall be set. In more serious cases a written warning may be issued at this stage;
- b. Should the matter not be resolved, the employee shall be counselled again, and the company may issue a written warning advising the employee that his/her employment is in jeopardy if the deficiency is not rectified. In more serious cases this may be a final warning. A further review period may be set if appropriate;
- c. Should the matter still not be resolved, the employee shall be counselled again, and a further written warning given, which shall be a final warning unless in the opinion of the company this is not warranted.

15.2 *Guidelines for counselling sessions*

The following shall apply to all counselling sessions:

- a. The employee shall be given the opportunity to respond to the alleged instances of deficient performance/conduct, and management shall consider the employee's response in making its decision as to the action to be taken;

- b. The employee may request that a person of his/her choice be present during the counselling session as an observer, and shall be given reasonable time to arrange for that person to be present (s)he is not already in the workplace;

The company reserves the right to dismiss an employee without notice in cases of serious misconduct or refusal of duty.

16. TOOLS

All power and hand tools, supplied by the company to employees must be maintained in an efficient working order by each employee, and the employee will be held responsible for that equipment. Failure to do so may result in the employee being counselled in accordance with the disciplinary procedures in this agreement.

17. SICK LEAVE

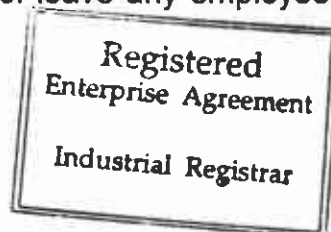
Notwithstanding anything contained in the awards, the following procedures shall be followed in cases of sick leave;

- The employee shall, as far as practicable, advise his/her foreman before the normal work commencement time of their inability to attend for duty and the nature of the illness or injury and the estimated duration of the absence.

18. ANNUAL CLOSE DOWN

Notwithstanding anything contained in the award, the company when giving any leave in conjunction with the Christmas/New Year holiday's may, at the company's option, either;

- a. stand down without pay during the period of leave any employee who is not yet entitled to an annual holiday; or



- b. stand down without pay during the period of leave any employee who is not yet entitled to an annual holiday and pay (up to the period of leave then given) at a rate of one-twelfth of an ordinary week's wages in respect of each 38 hours continuous service (excluding overtime).

Provided that where the company at its option decides to close down the establishment at the Christmas/New Year period for the purpose of giving the whole of the annual leave due to all, or the majority of the employees then qualified for such leave, the company shall give at least one (1) month's notice to the employees of the company's intention to do so.

Provided also that where the company requires work to be carried out during an annual close down period notified as above, the company may, subject to the employee's agreement, recall an employee from annual leave, which agreement shall not be reasonably withheld. In such cases the employee shall be recredited with the amount of annual leave foregone, but shall not be entitled to a further payment of leave loading in respect of that leave.

19. ANNUAL LEAVE

Notwithstanding anything contained in the awards, annual leave may be taken in separate periods of not less than one day at the request of the employee. The company shall endeavour to approve such periods of leave where adequate notice is given.

20. PICNIC DAY

Union picnic day as prescribed in the relevant awards will be taken by all employees of the company, normally on the first Monday in December. Employees will be paid for the day as a public holiday.



21. UNION MEMBERSHIP

The company recognises that whether or not to join a union is a choice to be made the individual employee. No employee will be either advantaged or disadvantaged in his/her employment because of his/her choice to join or not to join a union.

22. HOURS OF WORK

22.1 *Ordinary Hours*

The ordinary working hours shall be 38 hours per week and may be worked on any day Monday to Friday inclusive, between the hours of 05.00 to 17.00 on the following basis:

- a. 8 hours per day, with 0.4 hours of each day worked accruing as an entitlement to take one day each 4 weeks as a rostered day off (RDO) paid for as though worked; or
- b. Up to 10 hours per day up to a total of 40 hours per week, 2 hours of which shall accrue as an entitlement to take one day each 4 weeks as a rostered day off (RDO) paid for as though worked.

Where a change in working patterns would create genuine hardship to any employee the company shall take reasonable steps to minimise that hardship.

22.2 *Work outside ordinary hours*

Any hours worked outside the span of hours set in 22.1 above, or in excess of 40 hours per week shall be regarded as overtime and dealt with in accordance with the relevant clauses of the award. Notwithstanding the award, the company may cancel or notify employees of the working of overtime by the giving of at least one hours notice prior to the commencement of overtime. All employees shall be expected to work a reasonable amount of overtime.

23. WEEKEND WORK

For the purpose of calculation of 8 hours work on a Saturday or Sunday, work shall be performed between the hours of 5.00am to 5.00pm at the discretion of the company.

In accordance with the preferred practice of employees, only one crib break shall be taken on Saturdays between 9:00 am and 11:00 am.

Subject always to operational requirements, an employee will not be offered weekend work unless the employee agrees to work the preceding and subsequent weekday. In the event of an employee failing without reasonable excuse to work the subsequent weekday he/she shall not be offered work on the next weekday that work is available.

Notwithstanding the award, the company may cancel intended weekend work by the giving of at least one hour's notice prior to the commencement of the work. In such cases the employees shall be offered the next available weekend work.



24. ROSTERED DAY OFF

The company and the employees may agree to vary the date of the monthly industry rostered day off (RDO) in order to meet job requirements or personal needs. In such cases employees entitled to an accrued RDO shall bank the RDO provided that all banked RDO's are taken within 12 months of the time of their original accrual, as requested by the employee, and at one week's notice is given of the intention to bank the RDO.

The company shall attempt to accommodate all requests for the taking of "banked" RDO's, however the taking of such RDO's shall be subject to reasonable operational requirements, which shall be determined by the company.

25. QUALITY ASSURANCE

It is agreed by the parties that the establishment and maintenance of a quality assurance program and the maintenance of consistently high standards of workmanship are essential to the company's continued profitability and employees increased job security. In order to achieve this it is agreed:

- a. All employees shall co-operate fully in the development and implementation of the company's quality assurance program; and
- b. Any employee who fails to produce the required standard of workmanship may be liable to disciplinary action, including termination of employment, provided that in such instances the company shall give each employee a reasonable opportunity to improve his/her performance, and will, where appropriate provide any necessary training if the employee's poor performance does not relate to the usual skills which would reasonably be expected of a person with that employee's experience and/or qualifications.

26. TRAINING

The parties recognise the need for ongoing training to compliment skills development and best practice principles. Such training will be provided for on a needs basis by prior agreement with the company. Where approved training is undertaken, all reasonable expenses incurred (eg. Course fees and materials), will be met by the company.

27. INCLEMENT WEATHER

The following procedures will be implemented to limit the loss of productivity due to inclement weather (as defined in the award), and ensure that as far as practicable work will continue as normal unless this would create risks to health or safety.

- i. Site management and the employees will confer on whether it is safe or reasonable for work to continue in the conditions being experienced and all parties will adopt a reasonable approach to this;
- ii. Employees on part of a site or project not affected by inclement weather will keep working as normal;
- iii. If it is reasonable for employees to transfer from lunch sheds to work areas unaffected by inclement weather they will do so, and transfer using raincoats or umbrellas, it is agreed that this is reasonable;
- iv. Employees will not leave the site if in the company's opinion useful work is available in the area not affected by inclement weather;
- v. Employees will accept transfer to other sites not affected by inclement weather, and the company will provide transport where necessary, or pay the award kilometre allowance where employees use their own vehicle;



- vi. Where the above are not practical, employees will remain on site or return to the company's depot or place of business and undertake relevant and meaningful training and learning applications, production/upgrade of skill modules, maintenance to plant and equipment, or other worthwhile activities at the discretion of the company; and
- vii. Any employee who leaves the site or refuses to transfer will not be entitled to payment for inclement weather.

28. SUBCONTRACTORS

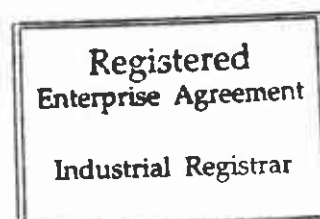
The industry is moving towards broader subcontracts and the company will accommodate this with its employees where consistent with the restructuring approach. However it is recognised and agreed that the company may at its discretion, engage subcontractors to undertake specialist work. Where this occurs, preference shall be given to subcontractors who are registered companies.

29. PAYMENT BY ELECTRONIC FUNDS TRANSFER

Employees wages shall be paid through electronic funds transfer into an account opened or nominated by the employee. The pay week period will commence on a Wednesday and finish on the succeeding Tuesday with Thursday remaining the pay day.


30. POSTING OF THE AGREEMENT

A copy of this agreement shall be displayed by the company in a prominent place on the company's premises accessible to the employees.



31. SIGNATURES

[Handwritten Signature]
 Signed for and on behalf of
OK Steelex Pty Ltd



[Handwritten Signature]
 Signed for and on behalf of:
**The Australian Workers' Union,
 Greater New South Wales Branch**

APPENDIX A

PROJECT PRODUCTIVITY ALLOWANCE

The under-mentioned additional allowance is payable only where a project agreement has been negotiated between the principal contractor and the relevant unions.

0 - \$50 MILLION	0.75c PER HOUR
\$50 MILLION - \$100 MILLION	\$1.00 PER HOUR
OVER \$100 MILLION	\$2.00 PER HOUR

RATES OF PAY

DATE	HOURLY RATE \$	PRODUCTIVITY ALLOWANCE \$ per hour	TOTAL RATE \$ per hour
1 May 2001	16.16	2	18.16
1 November 2001	17.02	2	19.02
1 January 2002	17.43	2	19.43
1 May 2002	17.84	2	19.84

