

**REGISTER OF
ENTERPRISE AGREEMENTS**

ENTERPRISE AGREEMENT NO: EA02/304

TITLE: Port Kembla Port Corporation Port Operations Restructuring Agreement 2001

I.R.C. NO: IRC 01/3834

DATE APPROVED/COMMENCEMENT: 19 July 2001

TERM: 31 December 2001

NEW AGREEMENT OR VARIATION: Replaces EA99/15

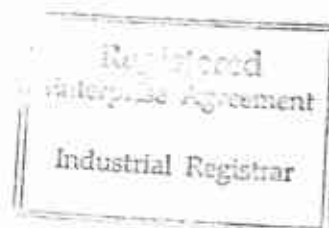
GAZETTAL REFERENCE: 18 October 2002

DATE TERMINATED:

NUMBER OF PAGES: 11

COVERAGE/DESCRIPTION OF EMPLOYEES: Applies to all employees of Port Kembla Port Corporation employed in the Marine Branch

PARTIES: Port Kembla Port Corporation -&- the Australian Maritime Officers' Union of New South Wales, The Seamens' Union of Australia, New South Wales Branch

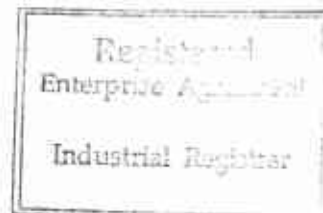


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PORT KEMBLA
PORT CORPORATION

**PORT OPERATIONS
RESTRUCTURING
AGREEMENT
2001**



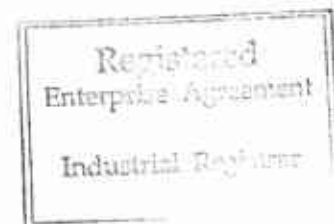
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1. TITLE

Port Kembla Port Corporation Port Operations Restructuring Agreement 2001.

2. PARTIES BOUND

The parties bound by this Agreement are:

- (i) Port Kembla Port Corporation;
 - (ii) Australian Maritime Officers Union of New South Wales;
 - (iii) Seamen's Union of Australia (New South Wales Branch);
- and Port Kembla Port Corporation employees in the Marine Branch.



3. PERIOD OF OPERATION

This Agreement shall come into effect when ratified by the Industrial Relations Commission of New South Wales and remain in place until 31 December 2001.

This Agreement is made for the purpose of a reorganisation and restructure of the Marine Branch. The Parties agree that an exemption under s.42 (3) of the Industrial Relations Act 1996 (NSW) is warranted for this agreement.

4. AGREEMENT PREVAILS OVER AWARD AND AGREEMENTS

This Agreement prevails over the provisions of any award or agreement that deals with the same matters to the extent of any inconsistency.

5. VOLUNTARY REDUNDANCY OVERVIEW

- 5.1 Port Kembla Port Corporation is undertaking an organisation restructure of the Marine Branch with the object of improving service delivery and improving safety. This will lead to a reduction in employee numbers required in that Branch.
- 5.2 It is recognised that some displaced employees may choose to leave the organisation and to assist with this, the Corporation will provide the voluntary redundancy package set out below:
 - (a) The package will be the Government Voluntary Redundancy Package as noted in the Port Kembla Port Corporation Enterprise Agreement 1998 – 2001 Clause 11 with enhancements.
 - (b) There will be a "once only" opportunity to express interest in the package prior to the filling of the new positions.

- (c) Those who express interest may change their mind at a later point.
- (d) The Parties will determine the positions and skills required to meet the new structure. Those whose positions are surplus will be offered the Voluntary Redundancy package.
- (e) The timing of the departure from the organisation of staff granted voluntary redundancy will be determined by the Corporation. Staff remaining surplus when all positions are filled will be offered the Voluntary Redundancy Package.
- (f) The total aggregate wage *ie* the superable wage, will be used for calculation of the package. Staff relieving for more than three months in the last twelve months will be paid at a relieving rate. The term "paid" shall mean the superable wage.
- (g) Staff who do not elect to take up the offer of a package and who may be unsuccessful in obtaining a position in the new structure will have a choice of either taking up a package or being re-deployed elsewhere in the Corporation.

5.3 The years of service will be determined by the long service leave test applied to the Corporation's staff as follows:

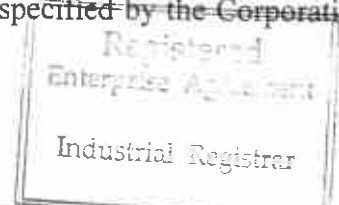
- (a) Recognised continuous government service for long service leave purposes (in State or Federal agencies) will be included in the calculation of years of service for voluntary redundancy.
- (b) For employees with previous broken periods of Maritime Services Board service recognised for long service leave purposes, only the last period of continuous MSB/PKPC service will count in the calculation of years of service for voluntary redundancy.

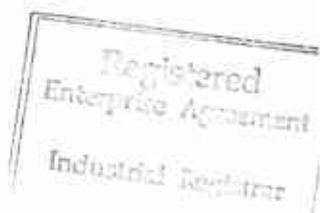
5.4 Where employees accept voluntary redundancy they are entitled to the following payments.

- (a) Four weeks' pay in lieu of notice.
- (b) An additional one weeks' pay for employees aged 45 years and over with five or more years of completed service.
- (c) Severance pay at the rate of three weeks per year of continuous service with a maximum of 39 weeks, with pro-rata payments for incomplete years of service to be on a quarterly basis.
- (d) The benefit allowable as a contributor to a retirement fund.

5.5 Those employees who accept the offer of voluntary redundancy within three weeks of an offer being made and terminate employment at a time specified by the Corporation will be entitled to the following additional payments:

- (a) Less than one years' service - 20 weeks pay





- (b) One year and less than two years' service - 22 weeks pay
 - (c) Two years and less than three years' service - 24 weeks pay
 - (d) Three years and over - 26 weeks pay
- 5.6 Employees who accept voluntary redundancy may, upon production of receipts, receive reimbursement of expenses associated with counselling, training and pre-training services and compulsory books and equipment associated with courses of study. Up to \$5,000 may be spent on fees and equipment or an amount of \$5,000 may be taken in lieu of payment for the above fees and equipment.
- 5.7 For members of the State Super Fund only, provided the employee is willing to pay their own contributions to age 55 in lump sum, PKPC will continue superannuation contributions until age 55 for employees in the 50 – 55 age group. This will qualify the employee for a full early retirement pension.
- 5.8 The Corporation has arranged, at no cost to employees, three financial advisors to provide expert advice on termination entitlements.
- 5.9 The advice is available from the date of this agreement up until the VSPs are concluded. Up to three separate one hour consultations will be available. .
- 6. VOLUNTARY REDUNDANCY PROCESS**
- 6.1 The following process is summarised in the flowchart contained in Appendix A.
- 6.2 The PKPC, as with most other Australian and overseas ports, is introducing an international standardised system for the management of shipping in and around Ports, coastlines and maritime work sites. A restructure of the Marine Branch is therefore necessary that best meets pilotage, navigation and port operation requirements with the adoption of these international standards.
- 6.3 It is recognised that there are employees who may be prepared to leave the organisation with a redundancy package. The Corporation will invite expressions of interest in the package during June 2001.
- 6.4 Applications for new positions in the Corporation will close when expressions of interest close AND once new position descriptions and job evaluations are finalised.
- 6.5 Staff who are displaced and who wish to stay with the organisation are able to do so on full salary maintenance for a period of twelve months after which the salary will be adjusted in accordance with the evaluated rate for work being performed.
- 6.6 Displaced staff will be employed on specific duties as they occur. These duties will only be limited by the skills of each employee and shall not be restricted to Marine Branch activities. They will be surplus to the organisation's needs and will be paid according to the Enterprise Agreement which provides for twelve months salary maintenance.

Following this they will be paid at a level commensurate with the work being undertaken. During the salary maintenance period, staff will be paid any applicable economic adjustments and performance increases.

- 6.7 Staff who accept positions in the new structure at a salary below the level at which they are currently paid shall have their salary frozen, such that any and all increases in aggregate wages (Schedule Rates and Shift Allowances) will be absorbed until the rate of the Substantive Position is reached. The current salary referred to in this Clause means the salary effective from the first full pay period after 1 July, 2001.
- 6.8 The parties agree to consult regularly on the implementation of processes to deal with displaced staff and the duties they undertake.
- 6.9 Marine Branch employees (other than AHM/Marine Pilots and Marine Manager) will qualify for the at risk Productivity Bonus referred to in Clause 8.2 of the 2001 Extension Enterprise Agreement providing they are employees of the Corporation at that time.

7. EMPLOYMENT SECURITY

- 7.1 A critical element of this agreement is the employment security clause. The Parties acknowledge that employment security is a key foundation upon which cultural and attitude change can be affected. The provision of this Clause that provides for employment security for the life of the Agreement is dependent upon on-going demonstrated commitment to continuous improvement and continuing adherence to the agreed Disputes Resolution procedures.
- 7.2 A process of continuous improvement will continue to be adopted in consultation with the Parties to assess the relevance of all Marine Branch activities and to improve the quality, range and value of its services to all customers. It is essential that the Corporation and its staff have the flexibility to respond to change identified by this process of continuous improvement.
- 7.3 For the term of this Agreement, if for any business reasons, there is a requirement to reduce staff numbers in some areas or change organisational structures and positions to effect improvement, such reductions or changes will only be effected by consultation between the Parties, through natural attrition (retirements/resignations), transfers, redeployment or, as a last resort, voluntary redundancy, in accordance with the PKPC policy and Government policy and guidelines.

7.4 All permanent full time or part time employees of PKPC at the time of signing of this Agreement will have security of employment for the term of the agreement. This undertaking extends to employees rather than positions.

7.5 Following consultation with the Parties, any employee whose job changes substantially or that is deleted during the term of this Agreement may be offered transfer or redeployment into another position. This undertaking will not have any effect on the process of performance or disciplinary matters which are pursued separately.



7.6 Where future business needs cannot be matched through employment growth in certain areas or by natural attrition, the Parties reserve the right to re-negotiate this Clause in respect of matters pertaining to redeployment, salary maintenance and offers of voluntary redundancies, if they are contemplated.

8. EVALUATION AND FILLING POSITIONS

8.1 Identify Structure

- (a) The new structure will be agreed through consultation by the parties.
- (b) Substantial changes mean that existing positions will be abolished and new positions and duties established.
- (c) Components of some current positions will be amalgamated into the new positions.

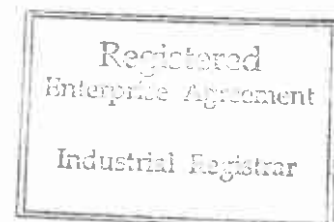
8.2 Evaluation of New Positions

All new positions will be evaluated according to established past practices and will include an external independent OCR expert.

Past practice has allowed a trained Union Organiser and a trained employee representative to be members of the evaluation panel.


Recruitment Process After Job Evaluation

Appointments will be based on merit after advertising positions, first internally within Port Kembla Port Corporation then externally if necessary.



SIGNED FOR AND ON BEHALF OF:

(i) Port Kembla Port Corporation;



Date 13/7/01

(ii) Australian Maritime Officers Union of New South Wales;

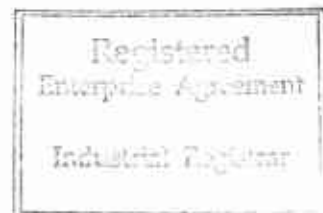


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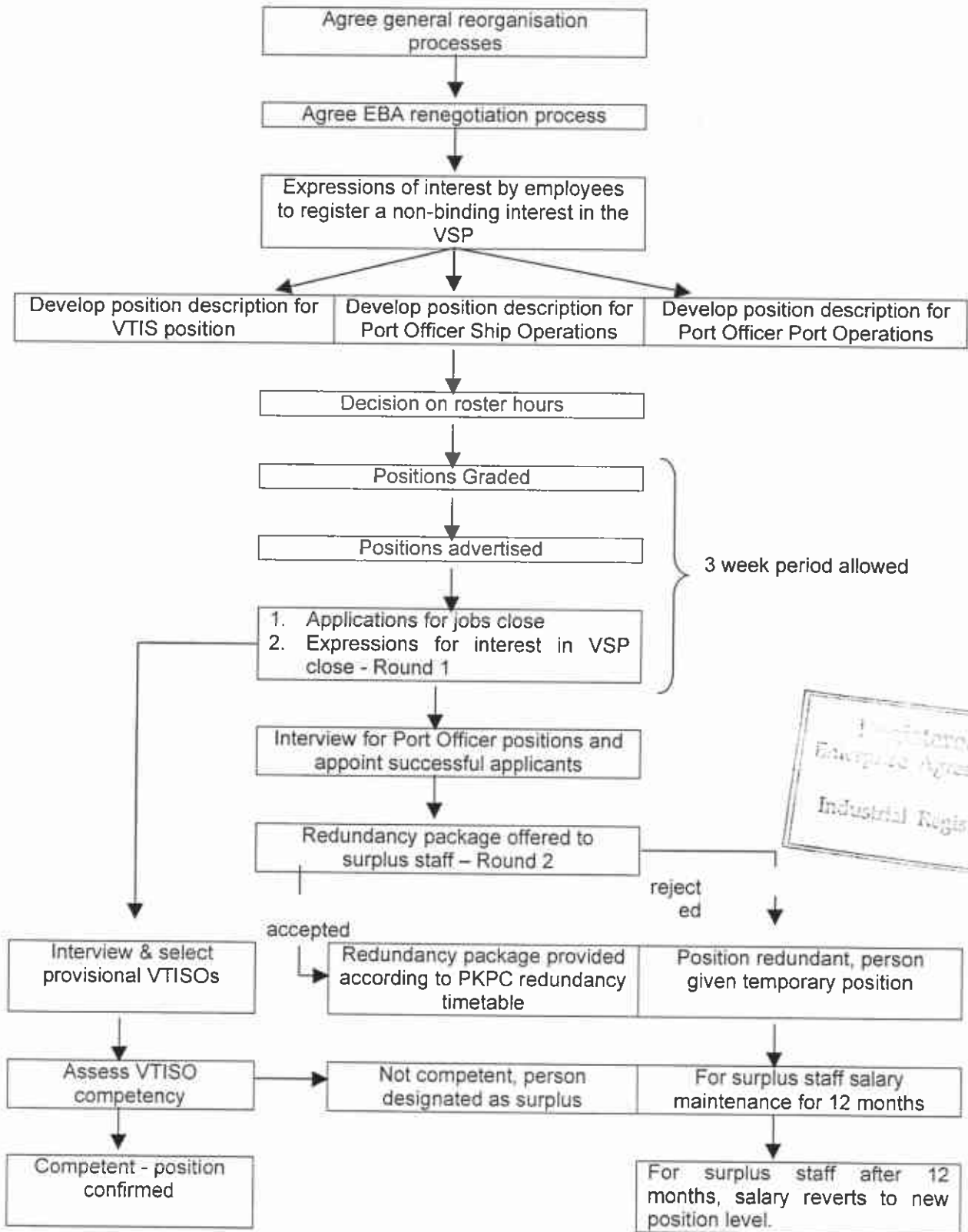
(iv) Seamen's Union of Australia (New South Wales Branch);



Date 13-7-01



PROPOSED PROCESS FOR INTRODUCTION OF VTIS & CONSEQUENT REORGANISATION



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1 RESOLUTION OF GRIEVANCES

14.1 Objectives:

To create an environment where grievances are identified, heard and resolved as fairly and promptly as possible in a consistent manner by empowering supervisors and managers to resolve grievances as close to the source of complaint as possible.

14.2 Grievances

Under the Industrial Relations Act 1996, a grievance is a personal complaint or difficulty. It is any work related matter which is causing an employee distress or concern. For example, a grievance may relate to a perceived lack of training opportunity or being denied leave. It may also involve suspected discrimination or harassment.

Grievance handling guidelines

Step 1

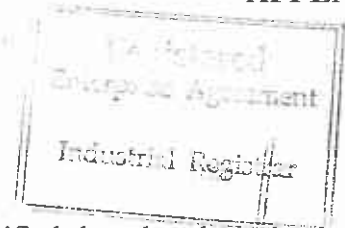
Ask for assistance or advice from specialist Human Resources personnel, if necessary. This advice may be regarding these procedures or how to deal with EEO target group issues. Remember, your supervisor is responsible for ensuring that the grievance is addressed quickly and fairly. You should be aware that your supervisor or manager must take immediate action if dangerous, criminal or other illegal activity is involved. This will involve informing the Employee Relations Officer immediately. You may consult your union at any time.

Step 2

Your supervisor should listen with an open mind, be patient and ask questions to obtain a better understanding of the situation. A joint problem-solving approach and avoiding a "them and us" attitude should be followed. The process must be impartial and ensure that it is not diminished by preconceived opinions.

Step 3

Your supervisor should obtain all the facts from you and the person against whom the complaint is made. The allegation should be put to the person(s) concerned and a response sought. A distinction between facts and opinions should be made and other information that is relevant should be collected, consulting records and policies if necessary. Any information that your supervisor gathers should be kept in a secure place until the matter is resolved.



Step 4

Your supervisor should act promptly and fairly. Your supervisor, in consultation with yourself must set reasonable deadlines in which to deal with the grievance.

Step 5

If your supervisor does not have the authority or complete information to resolve the issue, he/she must identify who has and, with your agreement, seek further advice.

Step 6

Your supervisor must complete an investigation of the facts and consider all viewpoints.

Step 7

After a decision is made your supervisor must advise you and others involved of internal and external avenues that can be used if you are not happy with the decision. Your supervisor must ensure that agreed corrective action has been taken and causes addressed.

Step 8

If your supervisor is unable to resolve the matter directly between the parties then the next senior manager may be contacted, if you wish. Allowances for a reasonable amount of time should be made for the matter to be dealt with.

Step 9

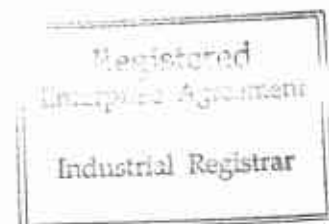
If this manager is unable to resolve the issue, it should be directed to your Chief Executive Officer who then becomes responsible for resolving the grievance.

Step 10

If the parties agree, the matter may be referred to an independent mediator/arbitrator to be resolved. See your Employee Relations Officer for this assistance.

Confidentiality

Your supervisor will not discuss the grievance with another person without your agreement. Any necessary discussion of your grievance among relevant managers will remain confidential.



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