

REGISTER OF ENTERPRISE AGREEMENTS

ENTERPRISE AGREEMENT NO: EA06/260

**TITLE: South Coast Equipment Pty Limited Workshop Division
Certified Agreement 2006**

I.R.C. NO: IRC6/1924

DATE APPROVED/COMMENCEMENT: 31 March 2006 / 21 March 2006

TERM: 36

**NEW AGREEMENT OR
VARIATION:** Replaces EA03/227.

GAZETTAL REFERENCE: 28 July 2006

DATE TERMINATED:

NUMBER OF PAGES: 18

COVERAGE/DESCRIPTION OF

EMPLOYEES: The agreement applies to all employees employed by South Coast Equipment Pty Limited located at Masters Road, Mount St Thomas NSW 2500, engaged as maintenance workers, trades assistants, storemen, fitters, mechanics and panel beaters, who fall within the coverage of the Metal, Engineering and Associated Industries (State) Award.

PARTIES: South Coast Equipment Pty Limited -&- the Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union, New South Wales Branch

SOUTH COAST EQUIPMENT PTY LIMITED
WORKSHOP DIVISION

AND

AUTOMOTIVE, FOOD, METALS, ENGINEERING, PRINTING AND
KINDRED INDUSTRIES UNION - NEW SOUTH WALES BRANCH

ENTERPRISE AGREEMENT

21.3.06

1. TITLE

This Agreement shall be known as the South Coast Equipment Pty. Limited. Workshop Division Certified Agreement 2006

2. ARRANGEMENT

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3. APPLICATION

This Agreement shall apply at the operations of South Coast Equipment Pty Ltd at;

- a) Masters Road Mount St. Thomas,
- b) BHP SPPD material handling sites at Port Kembla,
- c) the emplacement of waste materials at BHP and other industrial sites,
- d) the excavation and removals of materials on public and private sites,
- e) the servicing, repair and maintenance of vehicles and equipment.
- f) any other location that the Employees are required to perform duties associated with their contract of employment.

4. PARTIES BOUND

The parties to this Agreement are:

- a) South Coast Equipment Pty Limited A.C.N. 000 526 769 (the "Employer")
- b) All employees of the Employer whether members of the organisations of employees listed in subclause (c) hereof or not (the "Employees").
- c) The organisations that are entitled to represent the employees defined in (b), namely the Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union.

5. DATE AND PERIOD OF OPERATION

This Agreement shall operate from the beginning of the first pay period to commence on or after the date of 21 March 2006 and shall remain in force for a period of three years,

6. RELATIONSHIP TO OTHER AWARDS OR AGREEMENTS

Upon certification of this Agreement by the State Industrial Relations Commission, no Award provision or any award, Certified Agreement, unregistered Agreement, Common Law agreement, or any agreement or understanding of any other type, whether verbal or written, shall form part of the conditions and Contract of Employment between the Employer and any of the Employees, except where the agreement is silent on a specific issue the parent award will be referred to - The Metal,

Engineering & Associated Industries (State) Award. The application of the agreement shall be resolved by negotiation & consultation as set out in the disputes and grievances section of this agreement. (see section 29).

7.0 CONTRACT OF EMPLOYMENT

7.1 Performance of Work

It is a term and condition of employment and of the rights applying under this agreement that an employee:-

- a) Utilises the skills and knowledge that the employee possesses without reservation within the employees core skill area.
- b) Will be encouraged to participate in training and be accredited in work skills and knowledge to become a flexible member of the work team;
- c) In the case of a shift worker, continues work until relieved by a counterpart on the incoming shift or if his relief is absent continues to work to a maximum of 16hours until the Company is able to make suitable arrangements to cover the position. Should the off going worker have prior commitments then the Company will use its best endeavours to accommodate these; It is recognised that there are occasions when it is not possible for the worker to continue to work.
- d) Notifies the Company if unable to work:-
 - i) At least one hour before the commencement of the rostered shift;
 - ii) of the reason for the absence if work related.
 - iii) the anticipated duration of absence.
- f) Observes regulations published by the Company and its customers to provide an orderly and safe workplace, including keeping the workplace and equipment in a clean and safe condition.
- g) Wears Company supplied clothing without alteration;
- h) Complies with the Disputes Settlement Procedure (clause 29 of this agreement) at all times.
- i) Work to shiftwork systems as required by the company that are consistent with current awards agreed procedures and practice or such patterns as may be agreed to and signed off by the company and the majority of employees involved.
- j) Completes all relevant documentation pertaining to the job as required by the Company. This will include but will not be limited to equipment pre start check sheets, time sheets, and relevant safety documentation.
- (k) Each employee within the workshop shall be held personally accountable for own daily timekeeping. Employees who breach that timekeeping will be subject to the disciplinary procedure.

7.2 Utilisation Of Skills

- a) Employees shall be employed to carry out such duties as may be directed by the Company from time to time subject to the limits of their skill and competence, training and approved procedures.
- b) Any direction given by the Company in accordance with a) shall be consistent with the Company's obligations under the OH&S Act 1983 (NSW) and shall be carried out as such by the employee.

8. PURPOSE

The purpose of the Agreement is :

- To set a framework to ensure the continuing viability and prosperity of the Company in a rapidly changing and highly competitive business environment requiring increased labour flexibility, commitment, innovation, a process of continuous improvement and cost containment.

For employee's it is to meet their aspirations by providing :

- The creation of a career path for all employees based on competency standards for skills and training.
- Satisfying jobs and personal growth through training and development.
- To allow them to contribute to the success of the business and customer satisfaction.
- To achieve improved conditions of employment as a result of continuous improvement in business performance.

This Agreement represents a combination of the factors that Management and Employee's recognise as critical to the future viability of the Company.

The objectives of the parties :

- Employee's :
- : Security of employment.
 - : Access to safe and satisfying jobs.
 - : Participation in consultative process, to contribute to the success of the business and decisions affecting their future.
 - : Improved remuneration and conditions of employment.
- Company :
- : To be the preferred supplier by producing a high quality product and service to customers.
 - : The ability to respond and adapt to changing circumstance and take advantage of new business opportunities through improved productivity and performance and costs in a highly competitive business climate.
 - : Removal of impediments to business success.
 - : Security of investment through participation in a viable and profitable business.

The scope of the Agreement is to provide detailed guidelines of the benefits and conditions of work for persons employed by South Coast Equipment Pty Limited. One of the greatest benefits from restructuring is greater flexibility. This is achieved by providing the opportunity to train and utilise the skills attained to undertake the "whole job" in the area of his/her employment. Establishing an employee development structure will provide the opportunity for all employees to use the skills they attain within their own core skill area.

9. NEEDS OF THE INDUSTRY

Employees will be required to work reasonable overtime and shifts to ensure the continuity of operations and meet the need of the industry. There is a commitment to continuous process improvement to ensure that the Company remains competitive and improves its methods of operation while meeting the client's needs.

10. ELECTRONIC FUNDS TRANSFER

Payment of wages will be made to all employees bound by this Agreement by Electronic Funds Transfer (EFT) to the bank accounts nominated by the employee.

11. HOURS OF WORK

Wages Employees

- (a) The ordinary hours of work shall not exceed an average of 40 hours per week, including accrual of flexi time, to be worked over a cycle agreed between the employer and the employee.

- (b) The ordinary hours may be worked over any day of the week, Monday to Friday inclusive, between the hours of 6.00am and 6.00pm and shall be arranged by the employer to meet the needs of the business. Start and finish times may be varied within this range given that the employees have been given not less than 16 hours notice. Otherwise, 11 e) will apply.
- (c) The employee shall not be required to work for more than 8 hours at ordinary time in any shift and not more than 5 hours consecutively without an interval of at least 30 minutes for an unpaid meal or rest break.
- (d) Start and Finish times will be determined and fixed by agreement between the Company and the majority of employees in the section affected taking due account of the needs of the business and once set will be adhered to strictly.
- (e) Fixed starting times may be varied with 48 hours with consultation.
- (f) For all work done in excess of ordinary hours the rate of pay shall be time and one half for the first two hours and double time thereafter; such double time is to continue until completion of the overtime work.
- (g) Overtime will be allocated on a fair and equal basis in accordance with the needs of the business.
- (h) Overtime will be paid for actual hours worked only.
- (j) Overtime worked on a call out basis will be for a minimum of 4 hours and will be paid from the time the employee was contacted.

12. FLEXI LEAVE (RDO's)

- (a) Flexi leave will accrue at the rate of two (2) hours per week to provide an accrual of one day every four (4) weeks. The taking of flexi leave is to be arranged with the Company to ensure maximum productivity is achieved.
- (b) Flexi Leave may be accumulated to a maximum of thirty eight (38) hours in recognition of the nature of the continuous operations conducted by the Company. An employee working on an otherwise designated flexi-day will be paid at the rates applicable as if such day was a normal working day.
- (c) When the Company believes that projected workloads are low, the Company will place a notice looking for volunteers to take leave to handle periods of surplus labour. If the Company is unsuccessful in this process, the Company may direct employees to take accumulated leave, on the following basis;
 - (1) Any accrued but untaken Rostered Days Off ("RDO's"); and
 - (2) Any accrued but untaken entitlement to annual leave.

The Company may direct employees to take accrued leave commencing with the employee with the greatest entitlement to leave to the lowest entitlement to leave. The Company will take into account any untaken and approved leave prior to the projected low workloads from the employee's entitlement. The Company will endeavour to fully use each different type of accumulated leave before moving onto the next type of accumulated leave. The Company will provide employees with a minimum of one (1) days notice of its direction to take RDO's or ten (10) days notice of its direction to take annual leave. The Company may direct employees to take annual leave in blocks of up to two (2) weeks, whilst RDO's will be directed to be taken by the day. Whilst exercising the provisions of this clause, the Company will, if necessary, request that employee/s return from leave where work is available. This work will be paid at the applicable rate. If the Company is unable to fill the required shifts, the Company will engage casual labour to handle any shift/s that may unexpectedly eventuate. Employees can keep a maximum of four (4) weeks accrued but untaken entitlement to annual leave.

- (d) If the employee has elected to take flexi leave, this will preclude them from working overtime in the same 24 hour period.

- (e) All flexi leave shall be arranged by agreement and in consultation with Company supervisors to suit operational requirements.

13. MEAL BREAKS

On each day shift worked a paid morning tea break of 20 minutes will be allowed. This shall be counted as time worked.

On each day shift worked, one meal break of 30 minutes shall be allowed within 5 hours of commencement of work, which shall not be counted as time worked.

The company may by agreement stagger or alter meal times where a particular operation requires it as long as a meal break is provided within five (5) hours of the start of the shift.

14. MEDICALS

All employees may attend a further medical conducted by the Company Doctor according to the following schedule on the anniversary of their date of commencement of employment:

under 40 years of age	every three years;
40 years to 50 years of age	every two years;
over 50 years of age	every one year.

The initial appointment will be at the Company's expense and will be conducted on Company time and at ordinary rates.

If an employee has reason to query the findings of diagnosis he/she shall have the right to seek advice from an independent Doctor and submit the resulting findings to the Company

The second opinion will be at the Company's expense and will be conducted on Company paid time. Any subsequent appointments will be arranged so that they are in the employees own time and at the employee's expense.

15. SICK LEAVE

15.1 Taking of Sick Leave

An employee who is unable to attend for duty during their ordinary working hours by reason of personal illness or personal incapacity not due to their own serious and wilful misconduct shall be entitled to be paid at ordinary time rates for the time of such non-attendance subject to the following;

The employee shall not be entitled to be paid leave of absence for any period in respect of which they are entitled to worker's compensation;

An employee, unless it is not reasonably practicable so to do (proof whereof shall be on the employee), before his ordinary starting time on the first day of absence, and in any event within 24 hours, inform the employer of their inability to attend for duty by contacting a supervisor on phone number (02) 42 76 3100.

Ordinary time will be paid for all sick days whether an employee is engaged on shift work or day shift.

15.2 Accrual of Sick Days

An employee, other than a casual employee, is entitled to sick leave without loss of earnings during each year worked, up to 10 working days or 80 hours which ever is the lesser.

An entitlement under sub-clause (1) above, accrues pro-rata on a weekly basis.

In sub-clause (1) above, the work "year" does not include any period of unpaid leave.

To be paid sick leave, the employee may be requested to provide reasonable proof of illness immediately upon return to work for all days in excess of two sick days per year.

Permanent employees in the first year of service shall, having completed three (3) months of service, be entitled to utilise their then yearly accrual for absences which occurred during the first three (3) months of service, subject to the usual requirements of establishing the need for such leave.

Any untaken personal sick leave entitlement shall be accumulated from year to year so long as employment continues with the Company. Untaken sick leave shall be available to the employee for a period of ten (10) years but for no longer from the end of the year in which it accrues. Accumulated sick leave will not be paid out and shall be forfeited upon resignation or termination of employment.

An employee shall be entitled to utilise five (5) sick days per annum for the care of family members who are ill. The Company will require the employee to supply a Doctors certificate or other appropriate documentary evidence for all such days before payment is made.

16. SHIFT WORK

16.1 Shift Workers

All employees are engaged on the basis that they may be required to work shifts as required by the company with 48 hours notice on a Monday to Friday or unless on a continuous shift roster. A consultative process would be entered into prior to introduction.

For the purposes of this award the following definitions will apply;

“Day Shift” means any shift starting at 6.00am and finishing at 6.00pm

“Afternoon Shift” - the span of hours shall be 2.00pm to 2.00am

“Night Shift” means any shift starting at 11.00 pm and finishing at 7.00am

The hours of work of weekly employees on shift work shall be an average of 38 hours per week, or other as agreed by the company and the employees involved.

A shift roster may be varied by agreement between the Company and the employee affected to suit the circumstances of the Company or in the absence of such agreement by seven days' notice of such alteration given by the Company to the employee affected or, in the case of changes necessitated by circumstances outside the control of the Company, by 48 hours' such notice.

16.2 Shift Work - Rates and Allowances

(a) For ordinary hours of shift work, shift workers shall be paid the following extra percentages of the rates prescribed for their respective classifications:

(i) Permanent Afternoon Shift: 15.0%

(ii) Permanent Night Shift: 30.0%

(b) Alternate Night/Afternoon Shift:

(i) When on afternoon shift: 15.0%

(ii) When on night shift: 17.5%

(c) Shifts which rotate with a Day Shift:

- | | |
|-----------------------------|-------|
| (i) When an afternoon shift | 15.0% |
| (ii) When on night shift | 17.5% |

(d) Shiftwork - Meal Time

All shift workers whilst working on afternoon or night shift shall be entitled to a paid crib time of 50 minutes. The company may stagger or alter meal times where a particular operation requires it as long as a meal break is provided within five (5) hours of the start of the shift.

Twelve Hour Shiftwork - If 12 hour shifts are deemed suitable then agreement shall be reached by consultation between the Company and the Union.

(e) Changeover

Supervisors are required to arrange relief when an employee is unable to attend his/her shift. Employees who are unable to attend their shift must endeavour to contact the supervisor at least 8 hours in advance.

(f) Overtime

All work done in excess of usual daily ordinary hours shall be overtime and shall be paid for at the rate of time & one half for the first two hours & then double time for all hours worked thereafter. All time worked on Saturdays by day workers shall be paid for at the rate of time & one half for the first two hours then double time thereafter with all Sundays being paid at double time. All time worked on public holidays by day workers shall be paid for at the rate of double time and one half.

(g) Call-out

Employees who are required to carry a mobile phone as first contact for call-outs shall receive five (5) hours at double time per week. All call-outs shall be a minimum of four hours with payment of actual time worked.

Employees who are called out after having completed their day's work shall be paid for not less than 4 hours at the appropriate overtime rate in subclause. This shall apply to casuals as well.

(h) Staggered Hours

Two maintenance employees shall commence work thirty (30) minutes earlier than normal start and shall finish their normal day earlier by thirty (30) minutes so that equipment and vehicles are available for commencement of normal day shift at 7:00am.

A regular afternoon shift shall operate to match availability of vehicles. This shift shall be negotiated with the Maintenance Manager and shall be manned by permanent shift workers or rotating day/afternoon shift employees. Afternoon shift work shall be paid at the rate of ordinary time plus a shift allowance equal to two (2) hours ordinary time for all shifts. Annual leave loading shall be paid at the award rate of 17.5% OR as the calculated shift allowance on the afternoon shift, which ever is greater.

It is imperative that shift work be approached in a flexible manner. If there is an opportunity to improve the operations within the workshops through the further development of shiftwork, then through a consultative manner, the delegates & management shall discuss initiatives with the view of implementation.

17. MAINTENANCE REPORTING

The Company operates a planned preventative maintenance system designed to ensure the continual maintenance of company equipment and to minimise unscheduled breakdown or defect. Maintenance employees shall assist in this programme by:

- Employees shall operate a job number allocation system.
- Employees shall maintain the job card and vehicle history system and shall record all work done and

ensure that all costs, including labour, shall be correctly recorded to the job card system.

(c) The regular servicing of equipment will not be time based but scheduled according to kilometres, fuel usage or measured hours worked as determined most appropriate for the equipment concerned.

(d) All maintenance employees shall be trained in computer operation sufficient to allow the entry of information and retrieval of history data.

In the event that a defect or failure of equipment leads to a ceasing of work, the operator shall notify a supervisor so that alternate work can be assigned. The operator shall not leave the place of work without first obtaining the authorisation of the supervisor.

If the defect is such that the equipment can continue to be operated in a safe and effective manner, the operator shall continue to work and shall report the defect to the workshop supervisor.

18. PREVENTATIVE MAINTENANCE

Operators shall conduct a pre-shift inspection and will complete a defect notice for immediate or anticipated maintenance requirement on a piece of equipment and furnish that defect notice to the workshop supervisor so that maintenance can be scheduled. If at any time a defect is apparent, the driver shall complete a defect notice for submission to the workshop supervisor.

All employees must maintain the equipment of the Company when requested including but not limited to the following:

- (a) Completing a daily maintenance check routine.
- (b) Advising management of any fault developing in any item of equipment.
- (c) Maintaining the internal and external cleanliness of equipment.
- (d) The collection of parts for equipment from suppliers.
- (e) Assisting maintenance personnel by washing vehicles/equipment on the washbay - this will not include using chemicals such as UBC 100 unless properly trained to do so.

19. ANNUAL LEAVE & OTHER LEAVE

- i. It is Company policy to allow the accumulation of Flexi Leave & Annual Leave. All leave must be taken within the legislated time frame by agreement with the Company and the employee will be required to take leave to ensure that leave does not accrue above 228 hours.
- ii. Annual leave is to be taken in full weeks (i.e. 7 consecutive days) unless all leave is to be exhausted during the period of leave. All annual leave will commence on Monday, unless otherwise arranged with the supervisor.
- iii. Annual leave may be accrued for the purpose of an overseas trip up to a maximum of eight weeks. Regular annual leave is to be taken to ensure that the number of weeks accrued does not exceed 8 weeks by the commencement of the holiday. The employee is to take the accrued leave above 228 hours on the nominated commencement date whether the employee has left for overseas or not.
- iv. Parental leave - Employees are entitled to parental leave as provided in Schedule 1A of the Workplace Relations Act, 1996 (Cth).

20. DESIGNATED HOLIDAYS

The days on which New Years Day, Australia Day, Good Friday, Easter Monday, Anzac Day, Labour Day, Queen's Birthday, Christmas Day, Boxing Day fall and an additional day being the Union "picnic day" shall be observed as holidays and employees not required to work shall be entitled to payment at the classified rate for the aforesaid holidays.

Easter Saturday - Where an employee works on the day following good Friday, they shall be paid at the rate of double time and one half for all hours worked only.

Christmas day and Good Friday will be paid at triple time for all hours worked.

21. CASUALS

The employer reserves the right to employ casuals without regard to ratio of the number of casuals to the number of permanent employees to allow it to meet peak demands.

The Company shall determine the ratio of casual employees relative to the number of permanent employees and the ratio may vary during periods of peak demand beyond the control of the Company. This may also include periods of annual leave.

22. OCCUPATIONAL HEALTH & SAFETY

The Company is committed to the requirements of the Occupational Health & Safety Act of NSW and to the National Safety Council of Australia "Five Star" safety system. All employees are to be committed to the safety of the workplace and are required to participate in the conduct of the Company's OH & S committee and to participate in training programs. Safety performance will be reviewed and measured as an integral part of this Agreement. Any employee whose actions compromise the safety of any individual or item of equipment will be subject to instant dismissal.

- (i) The union shall ensure that there is representation of two employees for both the Consultative Committee & the OH&S committee at each meeting.
- (ii) The Company hazard identification system & accident/incident reporting systems are utilised in full to identify accidents, incidents, hazards & near misses through all operations.
- (iii) All workshop personnel shall follow Company policy on suitable attire being the standard clothing issue. All employees shall follow Company policy on wearing hearing protection & safety glasses in the confines of the workshops & on site within the SCE yard as well as client premises respectively.

All workshop personnel shall participate actively & constructively in all safety discussions, toolbox talks & safety audits. Each employee will be encouraged to offer any suggestions on safety improvements. This is to be conducted in conjunction with the supervisor, OH&S Coordinator, OH&S Committee member or the appropriate management representative.

- (v) Ensure that drivers & operators are not in danger of injury in participating in workshop activities.

The issue of alcohol and drug rehabilitation for incidents involving fleet operations will be considered provided the disciplinary system is maintained with continuing offenders being dismissed if the probation period is violated. If an employee is found intoxicated or under the influence of drugs or unfit to operate the appropriate machinery, then that employee will be sent home. If this occurs on a normal shift, then the employee shall be paid flexi leave only. This shall not be a case for sick leave.

23. CLOTHING ISSUE

- (i) The Company recognises the need to supply employees with a suitable uniform to meet the safety standards of the workplace and Government Legislation.

The guidelines for the type of clothing and safety boots will be determined by the Consultative Committee and the Company and will carry the approved company logo. Current requirements are that long sleeve shirts and long trousers are to be worn but overalls may be worn as an alternative.

Issued clothes shall be worn at all times during working hours and such clothing shall be maintained in a clean and presentable state as required by the Company.

- (iv) Employees will be issued with four (4) new shirts, four (4) new pairs of trousers, one (1) pair of boots and one (1) jacket (light or heavy weight). Boots shall only be replaced on a needs basis. Shirts and trousers will only be replaced between annual issues if the item is damaged as a direct result of an incident occurring at the workplace. Jackets will only be replaced on a needs basis eg: when soiled or damaged with the old jacket returned prior to issue where possible.

24. REDUNDANCY

An employee will only be entitled to a severance payment or any other payment in relation to termination (other than accrued leave benefits otherwise provided in this agreement) when a job becomes genuinely redundant due to the fact that the company no longer requires that function to be performed.

Employees leaving of their own accord or due to disciplinary action will not be entitled to redundancy pay. This includes employees retiring or resigning from the company.

Redundancy is when: A job becomes redundant when the Company no longer requires that function to be performed and there is no alternative work initially within the same Union that covered the original job and secondly there is no alternative work in other Union coverage in the Company. This transfer will be subject to the displaced employee obtaining the appropriate licences, tickets or permits.

Redundancy may be caused by:

- a. technological change
- b. Company merger
- c. takeover or reconstruction of the business
- d. economic recession.

When a situation of redundancy is apparent, consultation will take place between the Union and the Company to develop criteria to determine which employee/s will be made redundant. The selection criteria will include, but not be limited to, the following.

- (a) Overall performance
- (b) Ability, special skills and experience
- (c) Leadership and/or organisational ability
- (d) Self motivation and ability to work without supervision
- (e) Co-operation, enthusiasm and willingness to work overtime when required
- (f) Attendance & punctuality
- (g) Reliability
- (h) Quality
- (i) Safety commitment
- (j) Seniority

Where two employees are unable to be separated after using the above selection criteria, then seniority may be used to determine who will be made redundant.

The position regarding future employment levels of the Company shall be an agenda item on the monthly Consultative Committee Meeting.

4. Four weeks' notice or pay in lieu will be provided to an employee whose employment is to be terminated because of redundancy. In the case of employees over the age of 45 years, five weeks notice will be given or paid in lieu. During the period of notice, the Company shall allow the redundant employee paid leave of absence to attend job interviews. Such leave shall not exceed five days without the Company's permission and the Company shall be entitled to have a job interview verified by the potential employer.
5. Workers being made redundant shall be paid four weeks pay. A further four weeks will be paid for every year of service to a maximum of 34 weeks pay plus usual entitlements.
6. Additionally, an employee will be entitled to be paid his accrued sick leave entitlement to a maximum of four (4) weeks less any sick leave taken during the period of notice of redundancy, regardless of the production of a medical certificate verifying the authenticity of his illness during the period of redundancy.
7. This clause cannot be used as a precedent under any circumstance to change the position that an employee is not entitled to the payment of untaken accrued sick leave upon the ordinary termination of employment in whatever circumstance other than redundancy. This includes retirement or termination by the individual

or the Company other than the situation of redundancy.

8. All employees made redundant shall receive a Certificate of Service and a Separation Certificate.
9. All employees made redundant shall be offered first opportunity of re-employment should a suitable position become available within twelve months of redundancy occurring. Upon re-employment their entitlements shall recommence from the date of re-employment.
10. Should an employee who is made redundant decease before they leave, all the forgoing benefits will be paid to his estate.

25. ENVIRONMENTAL

- a) It is the policy of the Company to achieve a high standard of environmental care in conducting it's business as a competitive service company.

This be achieved by:

- Complying with Federal and State Laws, regulations and standards, and using the best practicable means to minimise any adverse environmental impacts resulting from our operations.
- Communicating openly with Local Government and the Community on environmental issues and contributing to the development of policies, legislation and regulations that may affect the concrete industry.
- Ensuring that all members are aware of their environmental responsibilities and accountabilities and that all employees act in accordance with compliance measures introduced and developed by the Company.
- Ensuring that management systems and control measures are in place to conserve energy and resources, and minimise waste.
- Continuously improving the processes and performance through the creative involvement of all employee's.

- b) The minimum requirements to be conducted in the normal course of daily activities are:

- Preventing spillage in all loading and haulage activities.
- Reporting of potential environmental hazards to appropriate personnel.

26. TRAINING

- (i) The operational performance of each employee will be assessed to determine competency levels and training needs necessary for the safe and efficient operation of the individuals participation in the workplace.
- (ii) The Company has a commitment to provide training to develop employees skills and maintain those skills so employees can carry out their duties in a safe and efficient manner.
- (iii) All employees are expected to participate in relevant training pertaining to the competent discharge of their core duties to further their development.
- (iv) Appropriately trained employees will participate in competency testing and training of fellow employees in the role of trainers and assessors.
- (v) All necessary training will be provided on and off the job and will be paid at the appropriate rates.

- (vi) Employees will be trained in the skills which will be of maximum benefit to the Company.
- (vii) Apprentices to be monitored and reporting carried out on a yearly basis with no guarantee of employment at end of apprentice contract.

27. QUALITY MANAGEMENT

The Company embraces the philosophy of Total Quality Management and is Quality Certified in accordance with ISO 9002. All employees are to be aware of the Quality system and are required to conduct their operations according to the Standard Operating Procedures and Supply Agreements developed as part of the Quality system and to participate in the development and refinement of those procedures.

The parties acknowledge the need to be committed, to work co-operatively to ensure the systematic improvement in the quality of products, processes and services in order to maintain competitiveness.

The completion of appropriate paperwork will form part of this commitment to quality assurance and will include, but not be limited to, the signing of standard operating procedures to formalise the company's training initiatives and the filling in of time sheets to record such information as is required by the relevant supervisor.

28. TECHNOLOGICAL INNOVATION AND CHANGE

- a) The parties to this Agreement recognise and accept that the Company may take advantage of and implement changes to work practices, procedures and systems as a result of technological developments or innovative ideas that will improve safety, efficiency, productivity, and profitability. In such circumstances, the company shall discuss with employee's proposed changes and arrange appropriate training.
- b) Implementation of technologically based change is seen as fundamental to remaining competitive.

29. DISPUTES AND GRIEVANCE PROCEDURE

It is recognised and agreed that procedures should be in place to avoid interruption to operations and to ensure a speedy resolution of grievances as they arise by direct discussion and negotiation of the parties involved.

In the event of a question, dispute or difficulty arising at a branch:

- (i) In the event of an individual or industrial dispute, the matter shall be raised, in the presence of the site Union delegate, with the respective supervisor who will investigate and respond to the matter promptly.
- (ii) If the matter is still unresolved it shall then be referred to Senior Management at South Coast Equipment at which stage local Union Officials may be in attendance.
- (iii) Failing a resolution the matter will be referred to the relevant Industrial Relations Commission for determination of the matter.
- (iv) Work shall proceed normally while these procedures are followed and without prejudice to either party.

The individual employee shall have the right to nominate any person to represent their interests in proceedings under this clause.

30. DISCIPLINARY PROCEDURE

- (i) The Company shall have the right to take the following action in respect to an employee in the event of breach of environmental responsibility, refusal of duty, unsafe acts, incompetence, carelessness, or misconduct including acts of vehicle damage whilst at work:

- a) a verbal warning will be issued in the presence of a union delegate or a witness of the employee's choice.
- b) further infringement will result in the issue of a written warning in the presence of a union delegate or a witness of the employee's choice placing the individual on a period of notice of six months probation.
- c) further infringement within the probation period will be followed by summary dismissal. The procedure followed in this instance shall be as per section 30 (iii). Following expiration of the probation period, the disciplinary sequence will begin again with a verbal warning for the next offence.
- d) Following notification of the relevant union delegate, the company and Union delegate may agree that the employee concerned should be directed to go on disciplinary leave for breach of safety procedure, refusal of duty, serious or persistent misconduct, serious inefficiency, or being under the influence of alcohol or drugs. Such leave shall be without pay and shall be for a period of not more than ten (10) working days. This does not affect the right of the Company to summarily dismiss the employee as per Clause 30 (iii) of this agreement.

iii) Summary Dismissal

The Company has the right, upon the attainment of proof of misdemeanour, to summarily dismiss an employee without notice or payment thereof for:-

- (a) Theft of Company or client property;
- (b) Fighting;
- (c) Working under the influence of alcohol or drugs; (*refer to Clause 22*)
- (d) Serious negligence.
- (e) Gross Inefficiency
- (f) Refusal of duty
- (g) Serious breach of safety responsibilities.
- (h) Neglect of duty

In such cases wages will be paid up to the time of dismissal only.

In cases where dismissal is determined to be the appropriate course of action, the company will notify the designated local union official (or if unavailable, the union's industrial department, Sydney) prior to administering the dismissal. In such cases the designated local union official or their appointed representative will be in attendance at the time the employee is notified that they have been dismissed.

In the case of the designated union official or their representative being unavailable for immediate consultation, the employee will be suspended with pay for a maximum of 24 hours or until the end of the next available working weekday. At the expiration of this period, in the event that the union official or appointed representative is still unavailable the dismissal will take effect and a meeting scheduled upon the availability of the union official.

31. PAYROLL DEDUCTIONS

The Company will make the necessary provisions available to all employees to make union subscriptions by way of payroll deductions.

32. SUPERANNUATION

The Company agrees to comply with the requirements of the Superannuation Guarantee legislation. Employees will be invited to join the South Coast Equipment Superannuation Fund and make personal contributions according to the terms of the Trust Deed.

33. CB RADIOS

All drivers agree to the use of CB radios as a matter of course to maintain contact with Company supervisors, BHP personnel and other drivers and operators as required to ensure continual operational efficiency.

34. DRY HIRE

Opportunities for dry hire will only be sought if there is no opportunity for wet hire and this then shall be in consultation with the union delegates.

35. ESSENTIAL SERVICES

Purpose

This agreement is aimed at identifying all essential services relating to the operations within BHP-Integrated Steel, Port Kembla to ensure safe and continuous operations throughout Ironmaking Departments.

Bulk Materials handling services and waste handling services that have a short term direct impact on the production of iron and/or steel OR create a hazard in operation within the Steel works. This includes but shall not be limited to Blast Furnaces, Sinter Plant and Shipping operations.

The Agreement

In the event of industrial disputation within the yard or localised to the workshop specifically, all workshop employees will provide essential services for the operations within the client base as listed below;

- BHP Ironmaking operations (Raw Materials Handling, Sinter Plant, Coke Ovens & Blast Furnaces)

The level of essential services will be qualified in consultation with the appropriate union delegates but will extend to where continuity of operations is affected by a breakdown. The necessary resources shall be deployed to repair breakdowns that impact on operations until the problem has been corrected.

If additional essential services are required, they shall also be conducted in consultation with the appropriate union delegates & management. Refuellers shall be required to fuel vehicles pertaining to the essential services as listed or as required at the time.

The company would require manning from each section as per normal roster & backshifts covered by callouts. That is Dayshift: 1 Vehicle Mechanic, 1 Plant Mechanic, 1 Boilermaker & 1 Screen fitter. Afternoon Shift: 1 Vehicle Mechanic. This will facilitate the time required to repair essential service equipment.

36. COMMUNITY SERVICE

36.1 Jury Service

An employee required to attend for Jury service:

- i) during his ordinary hours; or
- ii) immediately following an ordinary night shift or immediately preceding an ordinary afternoon shift on which the employee is rostered to work and, as a result of attending jury service, is not reasonably able to report for work on the night shift or afternoon shift as the case may be: Shall be reimbursed by the Company an amount equal to the difference between the amount paid in respect of this attendance for jury service and his ordinary time rate of pay which would have been payable in respect of the ordinary time he would have worked had he not attended for jury service.
- iii) An employee shall notify the company as soon as possible of the date upon which he is required to attend for jury service. Further, the employee shall provide the company proof of his attendance, the duration of such attendance and the amount received in respect of such jury service.

- iv) An employee may request the company to provide special leave for absences due to emergencies, community service eg; firefighting, S.E.S, payable at loss of ordinary earnings only.

37. DURESS

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

38. Basis For Enterprise Agreement

The payment terms that are offered for this agreement are in conjunction with negotiations carried out in 2006.

On signing of the agreement by all parties South Coast Equipment will pay 4.5% backdated to the first full pay period after the 21 March 2006

A further increase of 4.5% will be paid on the first full pay period after July 1 2007.

South Coast Equipment and its employees will work together through the workshop consultative committee to identify areas for further improvements. This will highlight savings & improvements so that a further 4.5% can be paid on the first full pay period after July 1, 2008.

Classification	Base Rate 21 March 2006	Increase of 4.5% on signing of agreement	Increase of 4.5% as of July 1 2007	Increase of 4.5% as of July1 2008
Trades Assistant	\$19.6747	\$20.5600	\$21.4852	\$22.4520
Assistant Storeman	\$22.3278	\$23.3325	\$24.3824	\$25.4796
Storeman	\$23.0959	\$24.1352	\$25.2212	\$26.3561
Fitter, Mechanic Panel Beater	\$22.8166	\$23.8433	\$24.9162	\$26.0374

39. Pay and Allowances

The following allowances shall apply where appropriate:

1. Casuals

Casuals shall be paid at the rate specified above for the appropriate grade and, in addition, Twenty percent (20%) of such rate. This rate would be reviewed if there is any change to the award rate during the term of this agreement.

2. Allowances

The following allowances shall apply where appropriate:

- a. BHP Site Allowance
Payable to members for attendance to the BHP SPPD site at the rate of **\$0.78 per hour.**
- b. Tool Allowances
Workshop employees shall be paid an allowance of **\$12.40 per week** for supplying and maintaining tools required in the performance of their work as tradesman.
- c. First Aid Allowance
Paid to employees appointed by the Company who have completed the St John's Ambulance First Aid Certificate and maintained its currency at the rate of **\$11.50 per week.**

- d. Dirt Allowance
Dirt allowance is now incorporated in the hourly rate and is no longer paid as an allowance.
- e. Leading Hand Allowance
An all purpose rate is payable to leading hands of **\$1.15 per hour**.
- f. Meal Allowance
When an employee is required to work in excess of two hours beyond their normal shift, without notice on the previous working day, that employee shall be paid one meal allowance in the form of a BHP meal docket or directly in to weekly pay.
The current meal allowance is **\$9.70**.
When an employee is required to work in excess of four hours beyond their normal shift, without notice the previous working day, that employee shall be entitled to two paid meal allowances in the form of two BHP meal dockets or direct into weekly pay.

Confined Spaces Allowance

Confined space allowance will be paid when an employee is required to work in an area deemed as such at the rate of **\$0.58 per hour**.

40. Distribution of Overtime

- All overtime shall be distributed evenly without prejudice or favouritism to appropriately trained and inducted employees.
- All employees will be maintained at the same number of overtime offers using the resource scheduling computer program.
- Comprehensive and accurate records of overtime offered to each employee will be maintained and will be open to perusal by the union delegates for the purpose of resolving disputes.
- A person unable to be contacted when attempting to allocate overtime will be deemed as not available.

41. Union Delegate Training

The Union Delegates will be eligible for up to two days paid per annum to attend Union training with any additional training to be viewed on its merits.

42. Leading Hands

These are currently appointed in the Screens, Boilermaking & afternoon shift in the Truck workshop. The position of Leading Hand is to facilitate the day to day running of the respective sections to ensure the workshops provide our customers with the best possible service.

The Leading Hand will report directly to the Plant/Truck Workshop Supervisor or Maintenance Manager on a daily basis.

Appointment of Leading Hands will be on a consultative basis with the following criteria. (Skills, Experience & Seniority).

The following include duties to be carried out by the Leading Hand.

- Facilitate & Co-ordinate repair of equipment & trucks on a daily basis
- Allocation of work to other employees
- Liase with storepersons on ordering & supply of parts
- Communicate with operations to facilitate repairs
- Relay OH&S or employee issues
- Assist with apprentice on the job training.
- Report to Maintenance Manager & Plant/Truck Workshop Supervisor

43. Long Service Leave

1. Employees shall be entitled to take pro rata long service leave after 7 years continuous service with the Employer accrued in accordance with the entitlement contained in the *Long Service Leave Act 1955*. Such amount being equal to the pro rata amount of 2 months after 10 years service (“**the LSL Entitlement**”).
2. Employees are to take the LSL Entitlement as soon as practicable after such entitlement becomes due after 7 years continuous service
3. Employees with current LSL entitlements will be expected to take their entitlements or part thereof within the life of this agreement.
4. Subject to the provisions of the *Long Service Leave Act 1955*, if an Employee leaves the Employer’s employment after 7 years service but before 10 years service, prior to taking LSL Entitlement then the LSL Entitlement will not be paid to the Employee.

44. No Extra Claims

The parties to this Agreement shall not pursue any extra claims during the nominal Term of this Agreement.

45 Contractors

The company in periods of heavy workload & for services unable to be provided by the SCE workforce may need to use the services of sub-contractors or contractors in the maintenance & repair of the SCE fleet of vehicles & equipment. Should the need arise then the company will consult with the Union delegates prior to engagement of such services.

SIGNED for and on behalf of the
Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union New South Wales Branch.

Date.....

Witness

SIGNED for and on behalf of
South Coast Equipment Pty Limited

Date.....

Witness

SIGNED for and on behalf of the employees of
South Coast Equipment Pty Limited

Date.....

Witness