

**REGISTER OF
ENTERPRISE AGREEMENTS**

ENTERPRISE AGREEMENT NO: EA99/73

TITLE: Hunter Region Boral Transport Limited Agreement 1998

I.R.C. NO: 98/4763

DATE APPROVED/COMMENCEMENT: 7 September 1998

TERM: 30 June 2000

**NEW AGREEMENT OR
VARIATION:** New

GAZETTAL REFERENCE:

DATE TERMINATED:

NUMBER OF PAGES: 7

COVERAGE/DESCRIPTION OF

EMPLOYEES: Applies to drivers at the companies depots at Hunter Valley, Tomago, Ravensworth and Mt Thorley

PARTIES: Boral Transport Ltd -&- Transport Workers' Union of Australia, New South Wales Branch



BORAL TRANSPORT LIMITED
PROPOSED 1998
HUNTER REGION AGREEMENT



1.0 Title

1.1 Our agreement shall be known as the Hunter Region Boral Transport Limited Agreement 1998.

2.0 Arrangement

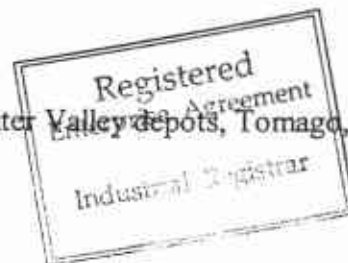
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3.0 Purpose

3.1 The purpose of this agreement is to set key performance indicators in order to improve the overall performance of Boral Transport's Hunter Valley fleet and to provide a base of business improvement to sustain an increase in the drivers remuneration.

4.0 Application and Parties

- 4.1 Our agreement shall apply to Boral Transport's Hunter Valley depots, Tomago, Ravensworth, and Mt Thorley.
- 4.2 Our agreement shall be binding upon :
- (a) Boral
 - (b) each driver
 - (c) the TWU



5.0 Start Date and Period of Operation

- 5.1 Our agreement shall commence from 7 September 1998 and shall remain in force until 30 June, 2000.
- 5.2 Negotiations for the next enterprise agreement will commence no later than 1/1/2000.

6.0 Relationship to Parent Awards/Previous Enterprise Agreements

- 6.1 Our agreement shall be read and construed with the parent awards and our previous Enterprise Agreements.
- 6.2 Where there is any inconsistency between our Agreement and the parent awards or our previous Enterprise Agreements our Agreement shall prevail to the extent of the inconsistency.

7.0 Key Performance Indicators (KPI's)

- 7.1 The parties have agreed on the following KPI's as a means of measuring performance.

- Safety
- Productivity
- Variable Costs
- Continuous Improvement Administration

- 7.2 The safety target that the depots must achieve is:

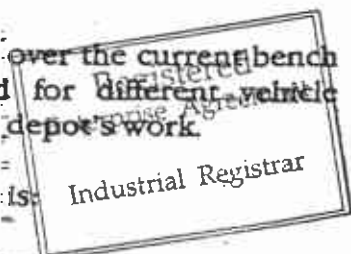
a 25% improvement in their safety score each year. The safety score will be weighted score which will include lost time injuries, medically treated injuries, work affecting injuries, major vehicle accidents and minor vehicle accidents.

- 7.3 The productivity target that the depots must achieve is:

A minimum of 3% productivity improvement per year over the current benchmark performance. Benchmarks will be reviewed for different vehicle configurations and if there are significant changes to a depot's work.

- 7.4 The variable cost target that the depots must achieve is:

To reduce the real cost of fuel, tyres and maintenance by 2% per year as measured against existing benchmarks. Benchmarks will be reviewed for different vehicle configurations and if there are significant changes to a depot's work.



7.5 The **continuous improvement** administration objectives that depots must achieve are

- (a) Every month each driver will be given information on his own productivity, variable cost and vehicle operating performance relative to the team performance. Where that performance is significantly below the average team performance, the circumstances causing this below average performance will be discussed with the depot manager or supervisor.
- (b) For each contract or type of work, a requirement to input and record information via the on board computer and daily time sheets will be nominated by the depot manager. This information will then be used to assist all parties including customers to improve the particular operation.

7.6 In order to **convert** individual KPIs into a depot score the following weightings will be used :

- 60 to 70 % for productivity.
- 15 to 25% for safety.
- 10 to 20% for variable costs.

7.7 In order to convert individual depot scores into a region score, the depot scores will be weighted according to the number of employees involved in the agreement at each depot.

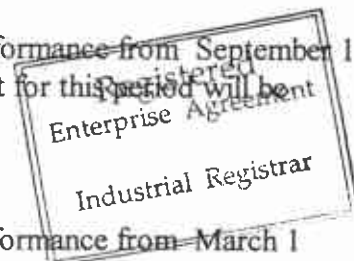
8.0 Rewards

Three formal depot performance reviews will be held during the period of this agreement.

The first will be held in September 1998 to review performance from January 1 1998 until August 30 1998. The target improvement for this period will be 8/12ths of the annual target.

The second will be held in March 1999 to review performance from September 1 1998 until February 28 1999. The target improvement for this period will be 6/12ths of the annual target.

The third will be held in February 2000 to review performance from March 1 1999 until January 31 2000. The target improvement for this period will be 11/12ths of the annual target.



If targets are exceeded in a given period the target improvement for the next period will be reduced by this amount. If the performance improvement is negative in a given period then this amount has to be made up in the next period before improved performance can be counted.

These reviews will then determine the wage increases for Boral Transport Hunter Valley Drivers according to the following -

Achievement of KPI's for the first two reviews will attract a wage increase from 0 to 2.0 %.

The increase associated with the first review will be payable from the first pay period after September 1, 1998.

The increase associated with the second review will be payable from the first pay period after March 1 1999.

Achievement of KPI's for the third review will attract a wage increase from 0 to 3.5 %.

The increase associated with the third review will be payable from the first pay period after February 2000.

In addition to the above a wage increase of 3% will be paid from the first pay period after February 1, 1998 in recognition of the following :

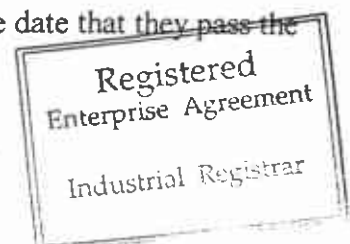
1. Agreement to the immediate implementation of the Continuous Improvement Administration objectives.
2. Commitments made by employees in establishing targets and working towards achieving improved performance prior to February 1 1998.

9.0 BULK DRIVERS

Bulk drivers are to receive a 2% wage increase, on completion of pressure vessel operating certificate and a further 1% on completion of pressure vessel contamination checks certificate. The requirements for the certificates will be developed as a matter of urgency and testing of drivers to be completed ASAP with an estimated completion date of 30th April 1998. All drivers who have passed the competency tests as of 30/4/98, will be paid the 3% backdated to the 1/2/98 as from the date that they pass the test for the certificates. Those drivers who have not done the tests or who have failed the test in their first attempt will get the 3% backdated to the 1/2/98 as from the date that they pass the tests for the certificates.

10.0 No Duress

This agreement is made between the parties without duress.



11.0 Enterprise Agreement Committees

Committees will be initially responsible for ensuring benchmarks are properly established, developing action plans to improve performance, and ensuring feedback systems are in place so that depot performance is communicated to all concerned on a regular basis, and that action plans and improvement ideas are followed through.

These benchmarks action plans and feedback systems will be reviewed by the region manager.

Following this, depot enterprise agreement committees will meet at least quarterly to review progress.

12.0 No Extra Claims

There shall be no further wage increases during the term of this Agreement.

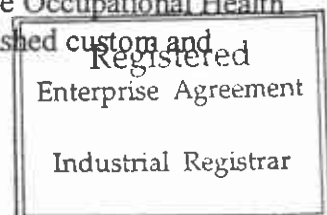
13.0 Conflict Resolutions Procedure

13.1 The following steps must apply in the following order for resolution of a dispute. For each step, the next step must be taken if the dispute has not been resolved within the time indicated for that step, which runs from the time the initial consultation is required:

1. We are jointly committed to this procedure and shall promote the resolution of disputes/grievances by measures based on consultation, co-operation and discussion and avoid interruption to the performance of work and the consequential loss of production and earnings.
2. Procedures relating to grievances of individual employees and disputes between the company and its employees.
 - a) The employee is required to notify the local manager as to the substance of the grievance, request a meeting with the manager for discussions and state the remedy sought.
 - b) A grievance or a question, dispute or difficulty must initially be dealt with as close to its source as possible, with graduated steps for further discussion and resolution at higher levels of authority. Those steps are



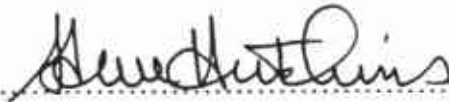
- i) employee to local manager
 - ii) employee/employees representative to Transport Operations manager/Area manager
 - iii) consultative committee
 - iv) If not resolved the appropriate Industrial Organisation of Employees and general manager will be involved
- c) Reasonable time limits must be allowed for discussion at each step.
 - d) At the conclusion of the discussion, the Company must provide a response to the employee grievance, if the matter has not been resolved, including reasons for not implementing any proposed remedy.
3. There shall be a commitment by the parties to achieve to this procedure. This should be facilitated by the earliest possible advice by one party to the other of any issue or problem which may give rise to a grievance or dispute.
 4. Sensible time limits shall be allowed for the completion of the various stages of the discussions. At least seven days should be allowed for all stages of the discussions to be finalised.
 5. Emphasis shall be placed on a negotiated settlement. However, if the negotiation process is exhausted without the dispute being resolved, the parties shall jointly or individually refer the matter to the Industrial Relations Commission of New South Wales for assistance in resolving the dispute.
 6. In order to allow for the peaceful resolution of grievances and disputes the parties shall be committed to avoid industrial action including: stoppages of work, lockouts or any other bans or limitations on the performance of work while the above procedure is being followed.
 7. The Company shall ensure that all practices applied during the operation of the procedure are in accordance with their obligations under the Occupational Health and Safety Act 1983 (NSW) and consistent with the established custom and practice at the workplace.



14.0 Signatures to the Agreement

The parties register their formal agreement to this document with their signatures below.

Signed for and on behalf of TWU



Steve Hutchins
NSW State Secretary

Signed for and on behalf of Boral Transport Ltd



Peter Wilkinson
NSW Northern Region Manager

