

**REGISTER OF
ENTERPRISE AGREEMENTS**

ENTERPRISE AGREEMENT NO: EA00/31

TITLE: Incitec Limited Port Kembla Enterprise Agreement Award 1999

I.R.C. NO: 99/5882

DATE APPROVED/COMMENCEMENT: 15 December 1999

TERM: 31 December 2000

**NEW AGREEMENT OR
VARIATION: New**

GAZETTAL REFERENCE: 18 February 2000

DATE TERMINATED:

NUMBER OF PAGES: 17

COVERAGE/DESCRIPTION OF

EMPLOYEES: Applies to all employees engaged in manufacturing at the Port Kembla site of Incitec Limited

PARTIES: Incitec Limited -&- The Australian Workers' Union, New South Wales



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SIGNED by the parties

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Enterprise Agreement 1999

1. PARTIES TO THE AGREEMENT

This Enterprise Agreement is made pursuant to the NSW Industrial Relations Act 1996 and is entered into on 1999, between Incitec Ltd Port Kembla of Darcy Road Port Kembla of the one part and the AWU-FIME Amalgamated Union, New South Wales of the other part representing employees at the Incitec Port Kembla Enterprise.

2. TITLE

This agreement shall be known as the Incitec Ltd - Port Kembla Enterprise Agreement 1999.

PART 1 - PURPOSE

1.1 Intention

It is the objective of the parties to make the Incitec Ltd - Port Kembla site a highly competitive manufacturer, and a model industrial site excelling in safety, productivity, quality, flexibility, communication and team development.

Our intention is to create an environment of continuous improvement which will encourage and support a highly skilled and committed workforce where participation and development of employees will be a priority for the betterment of the individual and the business.

Work will be organised to maximise the flexibility of the workforce and enable employees to work to the limits of their skills and capabilities. There will be no artificial barriers preventing employees from performing tasks in which they have been trained. Single status employment will be upheld wherever possible.

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The Agreement shall be read in conjunction with the Fertilizers (Aust Fertilizers Ltd) Production &c Award and the Fertilizers (Aust Fertilizers Ltd) Maintenance Award provided that where there is any inconsistency this Agreement shall take precedence to the extent of the inconsistency.

The Agreement replaces the Incitec – Port Kembla Enterprise Agreement 1997.

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A Steering Committee will review the implementation of this Agreement. The Steering Committee will comprise a representative cross section of stakeholders to the Agreement. The Committee will meet at least every 3 months (Week 1 of March, June, September and December). The Steering Committee at these meetings is to review site activities and recommend ways to improve site productivity and reduce site operating (fixed/variable) costs.

1.2 Duress

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

1.3 Incidence

The agreement shall replace totally the terms and conditions of employment previously regulated by the Fertilizers (Australian Fertilizers Limited) Production, & C. Award, and the Fertilizers (Australian Fertilizers Limited) Maintenance Award, and the Incitec - Port Kembla Enterprise Agreement 1997.

1.4 Date and Period Of Operation

This agreement shall operate from its date of registration until 31st December 2000.

1.5 No Extra Claims

This agreement shall not be varied except by mutual consent of the parties and in accordance with the Industrial Relations Act 1996.

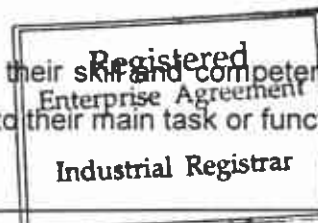
The parties to this agreement undertake not to pursue any extra claim award or over award, including State wage case decision increases during the period of operation of this agreement.

Provided that the rate of pay shall not fall below the rate for ordinary time in the Fertilizers (Australian Fertilizers Limited) Production, & C. Award, and the Fertilizers (Australian Fertilizers Limited) Maintenance Award.

1.6 Demarcations

It is agreed there will be no demarcation other than those arising from individual levels of skills.

Employees will perform all work within their skill and competence, including work which is peripheral and incidental to their main task or function. Further,



it is agreed that there will be no demarcations other than those arising from individual levels of skill, competence and training.

1.7 Termination of Agreement

In the event this agreement is terminated for some reason during the life of the agreement, conditions of employment will revert to the Fertilizers (Australian Fertilizers Limited) Production and C. Award and the Fertilizers (Australian Fertilizers Limited) Maintenance Award, as they existed prior to signing this Agreement. The classification structure and rates of pay are to be negotiated at the time.

1.8 No Strike

No strike action will be taken during the life of this agreement.

1.9 Commissioning or Closing Plants.

1.9.1 If a new plant is to be started or closed that involves a change in the skills required for the site, the necessary skills matrix adjustments will be agreed by the EBA Steering Committee.

1.9.2 There will be an undertaking to start and operate or close plant during skills matrix reviews without disruption.

PART 2 - TERMS AND CONDITIONS OF EMPLOYMENT

2.1 Engagement

2.1.1 Permanent Employees

Permanent employees will be engaged by the month.

2.1.2 Temporary Employees

Temporary employees will be engaged by the week for periods agreed between the Operations Manager and the individual employee.

2.2 Probationary Period

A probationary period of three months will apply to all new employees. During this period, termination of employment shall require 2 weeks notice by either party.



2.3 Termination of Employment

Subject to the exceptions in 2.2 and 2.4, termination of employment shall require one month's notice on either side given at any time during the month, or the payment or forfeiture of one month's salary as the case may be.

Provided that by mutual arrangement between the parties employees after having given notice, may leave their employment prior to the expiration of the notice period and receive salary up to the last day worked.

2.4 Summary Dismissal

Notwithstanding the provisions of subclauses 2.2 and 2.3 the employer shall have the right to dismiss any employee for serious misconduct, neglect or refusal of duty in which case the employee shall be paid up to the time of dismissal only. This procedure will be conducted in accordance with Incitec Personnel policy No 33.

PART 3 - SKILL DEVELOPMENT, EDUCATION AND TRAINING

3.1 Classification

Process Technician - Process Technicians will be responsible for all process and nominated maintenance duties at Incitec Ltd - Port Kembla.

3.2 Skills Development

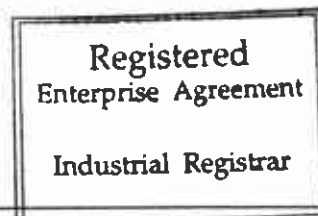
A skills development career structure will apply. Process Technicians will progress to the next level of the career structure by acquiring the required number of skill points.

Process Technicians acquire skills which have been mutually agreed with the Team Coordinator.

Skills are deemed to have been acquired once competency has been demonstrated to the required standard.

Skills training is developed on a modular basis where possible.

3.3 Training Leave



Paid leave will be provided during normal working hours where attendance at training, which has been agreed, is required off site. The length and approval of leave will be at the discretion of the appropriate manager.

It is understood that the time spent on training, outside of normal working hours, will not be paid for.

3.4 Training Subsidy

Both tuition and examination fees will be refunded on successful completion of a stage for an approved course together with the cost of text books to that stage (limited to \$200/year for text books).

PART 4 - WAGES, ALLOWANCES AND DEFINITIONS

4.1 Remuneration

Process Technicians will be paid an annualised salary which is inclusive of the base salary, shift premiums, overtime, public holidays, picnic day and all allowances. Refer to Attachment B of this agreement for annualised salaries.

The annualised salary paid in this Agreement shall not be less than the aggregate entitlement under the Awards that would have been applicable if the Agreement was not in place.

As applicable a performance linked salary component as detailed in Attachment B shall be agreed. This salary component shall be paid only upon full completion/attainment of the performance objectives by the nominated dates. Where completion of a single performance component has been handicapped by external influences(eg forced majeure, market forces etc) the matter shall be reviewed by the EBA Steering Committee. The final decision with respect to satisfactory attainment of performance targets shall reside with the Operations Manager.

4.2 Payment Of Salaries

Salaries shall be paid monthly (on/before 15th) into a Bank Account, Building Society or Credit Union nominated by each employee.

4.3 Superannuation



On commencement each employee (other than a casual or temporary employee) shall make application to become a member of the ORICA Limited & Associated Companies Superannuation Fund. In the case of casual or temporary employees, who qualify, contributions shall be made to a complying superannuation fund.

4.4 Annual Leave Loading

An annual leave loading of 17.5% shall be paid with the October salary.

4.5 Shift allowance

Shift allowance will be calculated at the rate shown in Attachment C.

4.6 Temporary Employees

Temporary employees will be employed by the week. The work hours and period will be arranged with each employee. The weekly rate of pay will be determined by dividing the appropriate annual rate by 52.2

PART 5 - HOURS OF WORK

5.1 Working Hours

Hours of work will be determined by agreement with a majority of employees in each section or plant, taking due account of the operational needs of the business provided that an average of 38 hours per week will be worked over a 52 week period.

"Day work" means work carried out by employees who work continuously, except for meal breaks, on any or all of the days of the week, Monday to Friday.

"Noncontinuous shift work" means work carried out by employees who work on rostered shift inclusive of meal time and who do not normally work on weekends and public holidays.

"Continuous shift work" means work carried out by employees who work on consecutive rostered shifts inclusive of meal time and which operate throughout the 24 hours of each day and who normally work on weekends and public holidays.

5.2 Shift Roster



Process Technicians on continuous or noncontinuous rotating shifts will work an agreed shift roster system(Refer Attachment C).

PART 6 - LEAVE

6.1 Annual Leave

Annual leave shall accrue at the rate of 152 hours per year (20 x 7.6 hour days) for day and non continuous shift workers.

Annual leave shall accrue at the rate of 190 hours per year for continuous shift workers (25 x 7.6 hour days).

Annual leave shall accrue and be given and taken in accordance with the NSW Annual Holidays Act 1944.

During the period of leave each employee will receive his/her normal rate of pay for the period they would have worked had they not been on leave.

6.2 Long Service Leave

Long Service Leave will be in accordance with the New South Wales "Long Service Leave Act, 1955" as amended.



6.3 Sick Leave

Employees will be entitled to sick leave without loss of pay when they cannot attend for duty due to personal illness or injury. Satisfactory proof of such illness or injury will be provided if requested. The parties agree that each individual case be reviewed as appropriate. No paid sick leave will be available during the first 3 months of probationary employment.

This clause does not derogate from the minimum sick leave provisions specified by Sections 26 & 27 of the Industrial Relations Act, 1996.

As part of this agreement, each employee's leave balance prior to 7 May 1993 will be frozen. In the event of death, retirement under the superannuation fund rules or retrenchment of the employee, the credited aforesaid sick leave shall be paid to the employee or employee's dependant at the rate of pay applicable at the time.

6.4 Bereavement Leave

Paid leave will be provided for the death of a family member. The approval and length of leave will be at the discretion of the Operations Manager.

6.5 Compassionate Leave

Paid leave will be provided to assist in circumstances of serious illness or injury of a family member. The approval and length of the leave will be at the discretion of the Operations Manager.

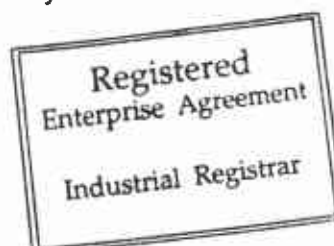
6.6 Public Holidays

Shall be those Public Holidays gazetted as a public holiday throughout the State of New South Wales.

The Works Picnic Day will be recognised as a public holiday.

6.7 Jury Service

Paid leave will be granted for Jury Service in accordance with the Incitec Jury Service/Witness Expenses Policy No. 15 of the Incitec Personnel Policy and Procedures Manual.



6.8 Defence Force Leave

Employees who are members of the Defence Force Reserve who have been in the Company's service at least one year may be allowed one week's special leave of absence with pay, plus one weeks leave of absence without pay, to attend camps or special training.

6.9 Parental Leave

Parental leave will be in accordance with the New South Wales Industrial Relations Act 1996 Chapter 2 Part 4.

PART 7 - COMPANY POLICY AND PROCEDURES

7.1 Dispute Handling Procedures

As soon as practicable after a dispute or claim has arisen, the employee concerned will take the matter up with his/her immediate team affording the opportunity to remedy the cause of the dispute or claim.

Where any such attempt at settlement is not resolved within 24 hours, or where the dispute or claim is a collective grievance, the employee (and representative from Signatories to this agreement) shall take up the matter with the employer, or representative of the employer.

- The employer will provide a response to the employee's grievance within 48 hours.

If the matter is not settled within 5 working days it shall be submitted to the New South Wales Industrial Commission which shall endeavour to resolve the issue between the parties by conciliation.

- Without prejudice to either party, work should continue in accordance with the agreement, and the status quo shall remain while the matters in dispute are being dealt with in accordance with this subclause.

7.2 Counselling and Disciplinary Procedures

The counselling and disciplinary procedure will be applied in accordance with Policy No. 33 of the Incitec Personnel Policy and Procedures Manual.

7.3 Workers' Compensation



Workers' compensation shall be in accordance to the New South Wales "Workers Compensation Act, 1987" as amended. Employees in this category will be treated in accordance with the Rehabilitation Policy No 35, and the Workers Compensation Policy No. 34 of the Incitec Personnel Policy and Procedures Manual.

7.4 SH&E/Commercial

Employees are accountable to work in accordance with Company SH&E Policies and Procedures and Commercial Procedures together with applicable Statutory Regulations.

7.5 Equal Opportunity

Incitec is an equal opportunity employer. All employees (and potential employees) are treated on their merits, without regard to race, age, sex, marital status, or any other factor not applicable to the position. Employees are valued according to how well they perform their duties and their ability and enthusiasm to maintain company standards.

The principles of Equal Opportunity will be applied in accordance with the Policy No. 26 of the Incitec Personnel Policy and Procedures Manual..

7.6 Service Quality Management

The Company operates to Services Quality Management principles outlined in the Australian Quality Awards Criteria. It is agreed that employees will abide by these principles. Employees agree to actively participate in continuous improvement team activities.

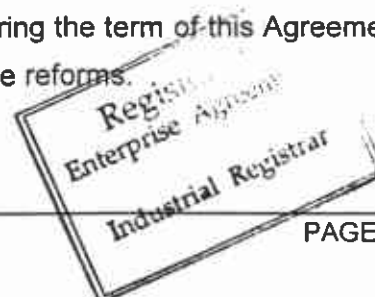
7.7 Quality Assurance

The Company seeks to obtain and maintain quality assurance accreditation to AS/ISO 9002 for all products and services. It is agreed that employees will accept responsibility for achieving and maintaining this accreditation.

7.8 Voluntary Retirement Scheme/Redundancy

In the event that voluntary retirement offers or redundancy becomes necessary, the Corporate standard provisions shall apply.

There will be no forced redundancies during the term of this Agreement, as a consequence of the associated workplace reforms.




7.9 Incitec Health Benefits Plan

All employees are eligible to claim for specified health services received during the period of employment per the rules of the Incitec Health Benefits Plan.

SIGNED

Signed for and on behalf of Incitec Ltd - Port Kembla.

R Rutledge
Operations Manager
Industrial Chemicals



Witness




Date

1-7-99

Signed for and on behalf of employees by ;

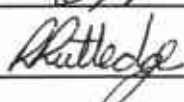
Secretary
The AWU - FIME Amalgamated Union
New South Wales



Incitec Employee Representative
Committee Chairman.



Witness



Date

1-7-99



SKILLS MATRIX - 1999/2000

			SARP 175 SMBS 80	
Team Leadership Certificate 100				
Introduction to Excel 20 SAP / WOS / Email 20 Introduction to PC's 20 Introduction to Word 20	Mechanical Trade (points to be relinquished on shift) 300 includes: Minor Hydraulics higher level of Welding MIG		Acid Handling 100 Bulk Unit 50	Electrical and Instruments including Licence (points to be relinquished on shift) 400 Austel Licence (points to be relinquished on shift) 100
First Aid 50 Inspections 25 Credit obtained if SAG Committee Member	Basic Mechanical -part of Mechanical Trade 150 Basic Welding /Oxy Cutting -part of Mechanical Trade 25		Fork Lift30 FEL30 Crane CN 20 Mobile Crane Greater than 3 tonne Crane- CB Overhead30 Truck 3B20 Rigging RB Basic20 Dogging DG20	Restricted Electrical -part of Electrical Trade 75 SMBS Bagging 50 SMBS Assistant 30 Dilute Acid Plant Operation 60 Basic Instrument -part of Instrument Electrical Trade 25 Basic Electrical -part of Electrical Trade 25
Site Induction Safety Occupational Health Environment	Basic Hand Tools		Cleaning/ Housekeeping Emergency Response	
MUST	MUST			MUST

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SALARY STRUCTURE 1999/2000

	Daywork (\$/yr)		Shiftwork (\$/yr)	
	1999	1 January 2000	1999	1 January 2000
Entry Level New Employees	26,791	27,327	35,740	36,455
Grade 1	30,282	30,888	40,396	41,204
Grade 2	33,778	34,454	45,061	45,962
Grade 3	35,177	35,881	46,926	47,865
Grade 4	36,690	37,423	48,945	49,924
Grade 5	37,854	38,611	50,497	51,507
Grade 6	39,023	39,805	52,057	53,098
Grade 7	41,115	41,937	54,847	55,944
Grade 8	43,099	43,961	57,494	58,644
Grade 9	44,846	45,743	59,825	61,022
Grade 10	47,758	48,713	63,710	64,984



1. Salary increases during the period of the Agreement shall be:

- i. 2% for the period to 31/12/1999
- ii. 2% for the period 01/01/2000 to 31/12/2000

2. An additional 0.5% salary increase be made available for the period 01/01/2000 to 31/12/2000 dependant upon achieving the following performance targets as an operations team by 31/12/1999.

- i. all EBA employees trained in the Unsafe Acts Prevention Program.
- ii. demonstrated participation by EBA employees in a minimum of 6 process improvement teams.
- iii. achieve one calendar month of SMBS solid production > 500 tonnes.
- iv. completion of a review of the skills matrix and competency development program.
- v. a successful commencement of sulfuric acid transfers from PKC and sulfuric acid export without significant incident or delay attributable to Incitec.

MISCELLANEOUS ITEMS

In entering into the 1999 Enterprise Agreement the following miscellaneous items are included:-

1. That a review occur of outstanding accreditation for skills gained and competencies demonstrated.
2. That greater clarity in team member roles be developed by compilation of position descriptions for each of the process operator job roles.
3. That the site training committee be reinvigorated to oversee the training, attainment and assessment of process operator competencies.
4. That a forum be established to maximise employee input and delivering strategic improvement for the Port Kembla site.

