

ENTERPRISE AGREEMENT

NO. EA EA98/115
.....

DATE REGISTERED.....15-4-98.....

PRICE \$ 24-00
.....

REGISTER OF
ENTERPRISE AGREEMENTS

ENTERPRISE AGREEMENT NO: EA98/115

TITLE: Boral Transport Limited Agreement 1998

I.R.C. NO: 98/1447

DATE APPROVED/COMMENCEMENT: 15 April 1998

TERM: 31 December 2000

NEW AGREEMENT OR
VARIATION: New

GAZETTAL REFERENCE:

DATE TERMINATED:

NUMBER OF PAGES: 12

COVERAGE/DESCRIPTION OF
EMPLOYEES: Drivers at Boral depots

PARTIES: Transport Workers' Union of Australia, New South Wales Branch -&- The Employers'
Federation of New South Wales





BORAL TRANSPORT LIMITED
AGREEMENT
1998

EBA No 3.



1.0 Title

1.1 Our Agreement shall be known as the Boral Transport Limited Agreement, 1998.

M. Williams
14/4/98

2.0 Arrangement

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3.0 Purpose

- 3.1 The purpose of this Agreement is to:
- (a) set key performance objectives that identify reasonably achievable improvements in the depot's performance in important areas of Boral's operations;
 - (b) increase the overall performance of Boral's transport fleet;
 - (c) provide a base of business improvement to sustain an increase in the drivers' remuneration; and
 - (d) achieve returns on capital above the cost of funding. Our prime means to achieve this goal is the improved utilisation of company vehicles, however Boral reserves the right to change our fleet mix at any time to improve customer service and profitability, following consultation with the EBA Committee.

4.0 Application and Parties

4.1 Our Agreement shall apply to Boral's depots.

4.2 Our Agreement shall be binding upon:

- (a) Boral;
- (b) each driver; and
- (c) the Union.



5.0 Start Date and Period of Operation

5.1 Our Agreement shall start to operate from the start date and shall remain in force for the term and thereafter in accordance with the Act.

6.0 Relationship to Parent Awards / Previous EBAs

6.1 Our Agreement shall be read and construed with the parent awards and our previous EBAs.

6.2 Where there is any inconsistency between our Agreement and the parent awards or our previous EBAs our Agreement shall prevail to the extent of the inconsistency.

7.0 Key Performance Objectives (KPO's)

7.1 The parties have agreed on the following KPO's as a means of measuring performance:

- Safety
- Change Management
- Productivity, and
- Customer Service & Delivery Performance objectives (To take effect from 1/7/98)

The depot's performance in the KPO's activities will be assessed in July every year, and following this assessment, the drivers' remuneration shall be adjusted from the first pay period after 1st July of that year.

7.2 The **Safety Objectives** that the depots must achieve, are :

- (a) a 25% improvement in the Regional Lost Time Injuries Frequency Rate (LTIFR) to 6.08 for year ending 30/6/98

(LTIFR is a world wide recognised safety measurement calculated as:

$$\frac{\text{No. of LTI's} \times 1,000,000}{\text{Total Hours Worked}};$$

- (b) a 25% improvement in the Regional percentage of hours lost to 0.20 for year ending 30/6/98 :

(Percentage of hours lost calculated by:

$$\frac{\text{Total of hours lost}}{\text{Total Hours worked} \times 100};$$



7.3 **Rewards**

If the depots have achieved the Safety Objectives outlined in 7.2 as of 30/6/98, each driver's ordinary time rate of pay shall be increased by one percent (1%). If the targets set for the following years are achieved, a 1% per annum wage increase will apply for the achievement of these objectives.

(Note: See Attachment A).

7.4 **Change Management Objectives** that the depots must achieve, are :

- (a) assist with the implementation of the Archipelago Project;
- (b) use of Archipelago system after installation, at all times (drivers will be fully briefed and receive appropriate training on the Archipelago system);
- (c) all drivers to be paid by electronic funds transfer into a recognized financial institution, (a 2 month period will be allowed so that drivers have time to organise their bank accounts);
- (d) being ready and willing to undertake competency based driver training as directed by Boral; and
- (e) assist with the introduction of other technological changes that

will improve productivity, after training and consultations with the EBA Committee and the drivers affected.

7.5 Rewards

If the depots have achieved the Change Management Objectives outlined in 7.4 as of 30/6/98, each driver's ordinary time rate of pay shall be increased by one percent (1%) in addition to any increase ascertained from Clause 7.3. If the targets set for the following years are achieved, a 1% per annum wage increase will apply for the achievement of these objectives.

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7.6 The Productivity Objectives that the depots must achieve, are :

- (a) achieve the Regional sales/income per hour of \$74.30 per truck (calculated by dividing average income per truck by averaged hours worked);
- (b) achieve the Regional average revenue per truck of \$224,611 in the financial year 97/98; and
- (c) maintain a Regional labour to sales percentage of 33.74%.

7.7 Rewards:

If the objectives set out above in 7.6 are achieved as of 30/6/98, then each driver's ordinary weekly rate of pay will be increased by one percent (1%) in addition to any increase ascertained from Clause 7.3 and 7.5. If the targets set for the following years are achieved, a 1% per annum wage increase will apply for the achievement of this objective.

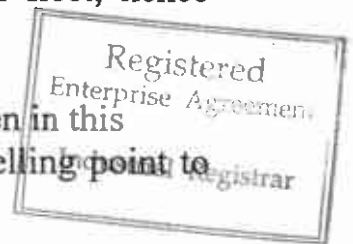
7.8 The Customer Service & Delivery Performance Objectives that the depots must achieve, are :

- a) to negotiate on a job-by job basis a customer assurance clause for special projects (eg James Hardie, Rosehill) which will ensure guaranteed deliveries to these projects.
- b) to be available for work when requested (subject to award conditions)
- c) to complete 8 hours ordinary time every day (Monday to Friday) they are rostered to work through the week, plus report to work each rostered Saturday where the driver has

signed the roster to work on Saturday. (subject to award conditions).

- d) to have yard union meetings outside ordinary working hours with as little as possible disruption and inconvenience to customers. Minimum 24 hours notice should be given for these meetings.
- e) to encourage improved customer service with improved delivery performance. This is to be measured by the % increase of on-time deliveries. This is consistent with our objectives to improve utilisation of the Boral fleet, hence performance and return on assets.

Boral may be able to use the commitments given in this agreement by the drivers and the union as a selling point to its customers and increase sales as a result.



7.9 Rewards:

If the objectives set out above in 7.8 are achieved as of 30/6/99, then each driver's ordinary weekly rate of pay will be increased by one percent (1%) in addition to any increase ascertained from Clause 7.3 and 7.5, and 7.7. If the targets set for the following years are achieved, a 1% per annum wage increase will apply for the achievement of this objective.

8.0 Bulk Drivers

8.0 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 are to 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 that have passed the competency tests as of 30/4/98, will be paid the 3% backdated to the 1/2/98. Those other drivers that 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 test for the certificates.

8.1 In addition to the increases ascertained from clause 7.3, 7.5, 7.7 and 7.9, bulk drivers shall be paid an extra 1% (over the Tipper drivers).

8.2 The KPO's are based on each depot's performance and combined to give a regional outcome. They are not individual KPO's.

Each depots and regional performance versus the targets will be published and discussed each month as part of team briefing.

8.3 Despite anything else in this Agreement the hourly rate of pay for a Bulk driver, shall not exceed the hourly rate of pay for a Tipper driver driving a similar vehicle.

9.0 Annual Review



9.1 The parties to this Agreement will conduct an Annual Review in July each year, to determine:

- the level of performance achieved with the Key Performance Objectives in the previous twelve months, and what payments will be made in accordance with the performance;
- new targets for the KPO's for the following twelve months; and
- if there is a need to introduce new KPO's to reflect changed circumstances new targets for the KPO's for the following twelve months.

9.2 Representatives of management and the EBA Committee will conduct the Annual Review.

9.3 (a) If the parties fail to reach agreement on new KPO's and targets, in accordance with the provisions of this clause, this Agreement shall be terminated.

(b) The parties shall be taken to have failed to reach agreement on new KPO's and targets when they mutually agree that they have so failed or 30 days after either party communicated, in writing, to the other party their proposed new KPO's and targets, whichever happens first.

(c) To avoid any doubt should the parties fail to reach agreement, as ascertained by clause 9.3 (b), such failure shall for the purposes of section 44 (2) of the Industrial Relations Act 1996 as amended, be deemed to constitute the approval of all of the parties to this Agreement for this Agreement to be terminated.

10.0 No Duress

This Agreement is made between the parties without duress.

11.0 EBA Committee

11.1 The EBA Committee will:

- consist of two driver representatives from each depot plus management representatives. The TWU organiser may also attend these meetings;
- meet at least quarterly to consider progress with the KPO's and any other matter that relates to the operation of this EBA; and
- be involved in the Annual Review.

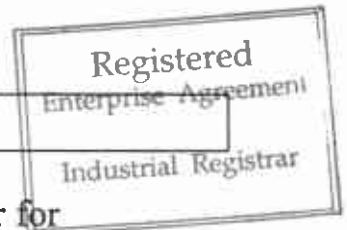
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12.0 No Extra Claims

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

13.0 Wage Increases

13.1 In recognition for the commitments made by the employees in entering into a 3 year EBA and agreeing to immediately implement specific productivity improvements outlined in Clause 7, from the date of registration of this Agreement, all employees will receive a wage increase of 3%, backdated to 1st February, 1998, in addition Clause 8 applies.



14.0 Disputes Procedure

14.1 The following steps must apply in the following order for resolution of a dispute. For each step, the next step may 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:

- (a) a dispute must initially be dealt with as close to its source as possible, with graduated steps for further discussion and resolution at higher levels;
- (b) the initial discussion should be dealt with the depot manager;
- (c) if the matter is not resolved at this level, the driver and the union delegate(s) should approach a senior Boral management representative for discussion and resolution of the problem;
- (d) the union organiser and senior management may get involved if required at any time;
- (e) either party may call a Special Committee* of the EBA Committee to attempt to resolve the dispute;
- (f) if the issue remains unresolved, the matter may be referred to the NSW Industrial Relations Commission for conciliation/arbitration, (either party may refer a dispute to the NSW Industrial Relations Commission at any time during the process); and
- (g) while the above procedure is being followed and until the matter is resolved there must be no industrial action of any kind by each driver, Boral or the Union.

- * The Special Committee shall consist of:
- senior management representatives
 - the TWU organiser
 - the delegate(s) from the depot(s) with the dispute and any external facilitators the Committee may require.

15.0 Dictionary

15.1 In our Agreement the following words in the left-hand column of the dictionary shall have the meaning given to them by the right hand column of the dictionary:



Boral	Boral Transport Limited;
Each driver	an employee of Boral employed at one of the Boral's depots whose terms and conditions of employment are regulated by one of the parent awards;
Us	see "we";
The drivers	all of the drivers defined as "each driver";
We	also "us" and "our" refers to the drivers and to Boral;
Start Date	the date upon which our Agreement is ratified by the Industrial Relations Commission of NSW in accordance with the Act;
Term	until 31/12/2000;
Union	the Transport Workers' Union of Australia NSW Branch;
Parent Awards	Transport Industry (State) Award and the Transport Industry Quarried Materials (State) Award
Previous EBA's	Boral Transport Ltd NSW Operations Joint Development Award 1996. Joint Development Agreement EBA 1994.
Boral's Depots	Emu Plains, Port Kembla, Doyalson, Queanbeyan, Greystanes and the Blue Circle Bulk operations.
KPO Activity	those objectives set out in Schedule 1,2 and 3 to this Agreement;
Act	the Industrial Relations Act 1996.
EBA Committee	2 representatives from each depot, management representatives and the TWU organiser.
Bulk Driver	a driver of a pressurised powder tanker.
Tipper Driver	a driver of a tipping vehicle.

16.0 Signatories to the Agreement.

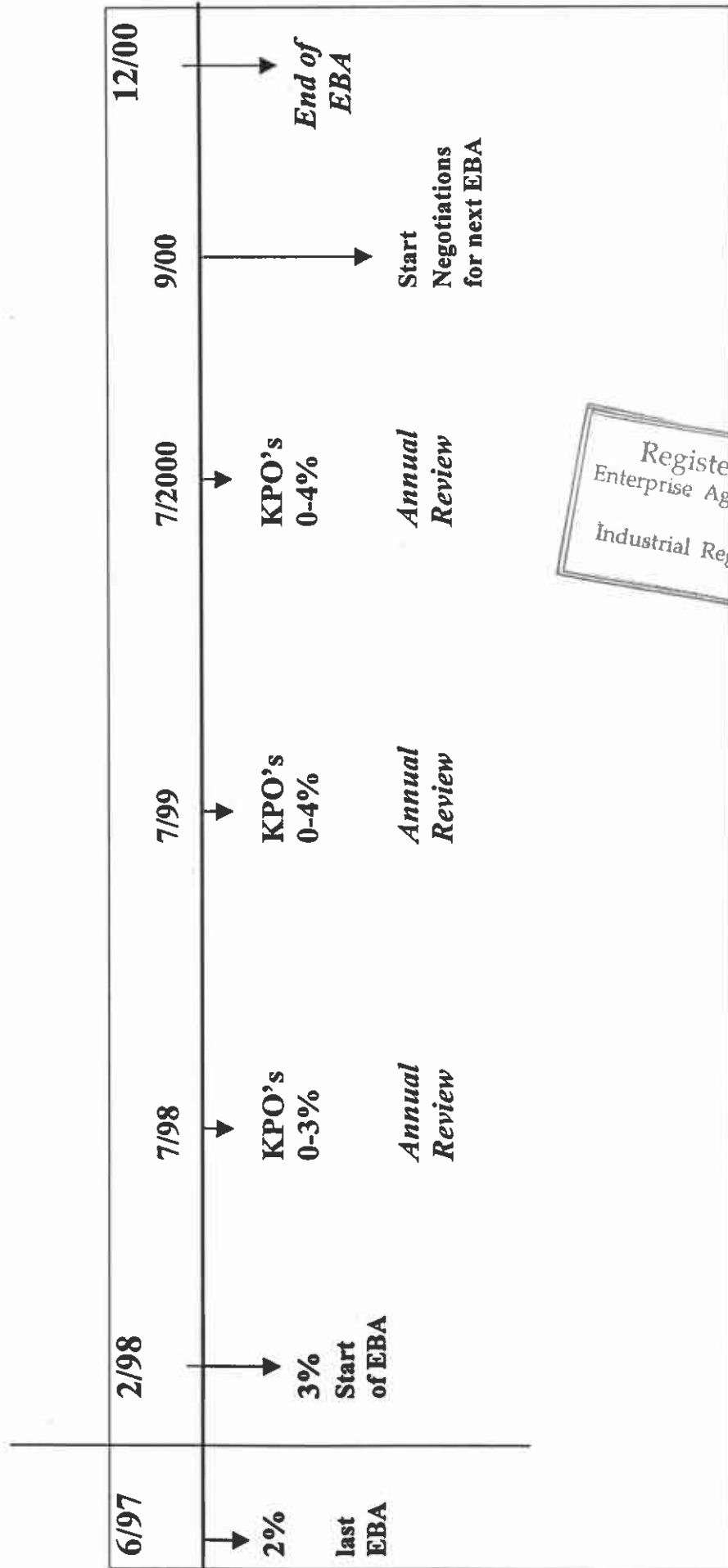
16.1 This Agreement was approved by the employees, the union and the Company.

Signed & dated.. *[Signature]* 10/3/98.....on behalf of the TWU

Signed & dated.. *[Signature]* 10/3/98.....on behalf of Boral
Transport Ltd

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Enterprise Agreement
Industrial Registrar

Attachment A
Salary Scale and Bonus Payments



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