

# Operations Services Production Agreement

## Record of Meeting



**Date** 26 July 2022  
**Location** Videoconference via Webex  
**Attendees** See Appendix 1  
**Meeting Open:** 9am (AEST)  
**Meeting Close:** 10:30am (AEST)

### Agenda

1. Introduction & agenda
2. Responses to proposals from previous bargaining meeting
3. Bargaining representatives' positions
4. Logistics for next meeting

### Summary

<b>Introduction &amp; Agenda</b>	<ul style="list-style-type: none"> <li>• Introductions</li> <li>• OS shared the agenda for the meeting</li> </ul>					
<b>Responses to proposals from previous bargaining meeting</b>	<p>OS addressed outstanding actions from last meeting and confirmed all actions had been completed, including:</p> <table border="1" data-bbox="395 1146 1465 2087"> <thead> <tr> <th data-bbox="395 1146 837 1214">Topic</th> <th data-bbox="837 1146 1465 1214">Discussion</th> </tr> </thead> <tbody> <tr> <td data-bbox="395 1214 837 2087"> <b>CFMMEU and Bargaining Reps requested a response to the BMA/Workpac arrangement where flights are reimbursed.</b> </td> <td data-bbox="837 1214 1465 2087"> <p>Ultimately, this is a matter for BMA and I am not privy to the details of the arrangement. However, OS maintains its position whereby employees are able to live where they want to, and if they require flights as part of their travel arrangements, OS offers discounted self-funded flights, and OS employees have the option to salary sacrifice flights as well.</p> <p>OS is not agreeable to including a travel/flights clause whereby flights are paid for by OS. OS needs flexibility in the EA to respond to changing market conditions and also government actions and responses to climate change. The increase in coal royalties announced by the Qld Govt is a good example of this. We don't know what the impact of that announcement will be yet. It's early days. But if the government maintains its position that will have a flow on effect to OS as well and everyone else in the industry.</p> <p>Further to that, there was an example provided at the last meeting indicating that salary-sacrificed flights were being deducted every 3 months. I can confirm that the policy</p> </td> </tr> </tbody> </table>		Topic	Discussion	<b>CFMMEU and Bargaining Reps requested a response to the BMA/Workpac arrangement where flights are reimbursed.</b>	<p>Ultimately, this is a matter for BMA and I am not privy to the details of the arrangement. However, OS maintains its position whereby employees are able to live where they want to, and if they require flights as part of their travel arrangements, OS offers discounted self-funded flights, and OS employees have the option to salary sacrifice flights as well.</p> <p>OS is not agreeable to including a travel/flights clause whereby flights are paid for by OS. OS needs flexibility in the EA to respond to changing market conditions and also government actions and responses to climate change. The increase in coal royalties announced by the Qld Govt is a good example of this. We don't know what the impact of that announcement will be yet. It's early days. But if the government maintains its position that will have a flow on effect to OS as well and everyone else in the industry.</p> <p>Further to that, there was an example provided at the last meeting indicating that salary-sacrificed flights were being deducted every 3 months. I can confirm that the policy</p>
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		<p>position for salary sacrificed flights is that payment will be deducted from your payroll approximately 2 months after the date of invoice, regardless of when the travel date occurs.</p> <p>In circumstances where employees elect for the discounted self-funded flights, the payment will be deducted from your nominated credit card at the time of booking. I understand that the option for discounted self-funded flights is relatively popular and the logistics team continue to monitor uptake and explore options for additional capacity or services to be added to the schedule.</p> <p>Bargaining Representatives advised that flight availability still remains a problem for OS employees. Further to that, there are no services which align to night shift.</p> <p>OS will continue to monitor uptake and explore options for additional services or increased capacity.</p>
	<p><b>Concerns were raised about the removal of the critical skills allowance for Excavators/Diggers</b></p>	<p>There were some concerns raised about the removal of the critical skills allowance (<b>CSA</b>) for excavator/digger operators. While there is no current claim regarding the inclusion of the CSA in the Agreement and OS maintains that this is not a matter for bargaining, OS confirms that the CSA was a discretionary payment which was changed from an allowance and built into the Excavator/Digger operator base salaries.</p>
	<p><b>Amendment to the Annual Leave clause as proposed by the CFMMEU</b></p> <p><i>“When considering applications for Annual Leave, the decision to approve, or not approve, will not take into account employees who may be absent on other forms of approved leave (LSL, Maternity Leave, Personal/ Carer’s Leave etc.). If an application for Annual Leave is rejected, the employee will be given the reasons why the leave was rejected, in writing”.</i></p>	<p>During the last meeting, OS committed to considering an amendment to the annual leave clause, as proposed by the CFMMEU.</p> <p>OS needs the ability to effectively resource the operation to ensure a safe and successful operation. Saying that, OS will continue to consider all leave requests lodged by employees, however OS is unable to consider each annual leave request as an isolated request, and must consider all leave requests in accordance with the resource/workforce plan, including skill set.</p> <p>OS Production has hundreds of employees, if not 1,000 employees and it is too administratively cumbersome to provide a</p>

		<p>written response every time a leave request is unable to be approved.</p> <p>For these reasons, OS is not agreeable to including this amendment into the annual leave clause.</p> <p>Further to that, if you are able to provide some specific examples of where an employee has been denied leave due to another employee's approved parental leave, I am happy to look into this further.</p> <p>Where an employee has an annual leave request denied and has significant personal circumstances for the leave request, we encourage the employee to escalate the leave request to their superintendent for further review.</p>
	<p><b>5.3 Part Time clause</b></p>	<p>During the last meeting, OS proposed a new draft of the Part Time clause at 5.3.</p> <p>The CFMMEU maintains their position in relation to the scope of the proposed agreements, and rejects OS clause at 5.3(a)(1) and 5.3(a)(2).</p>
	<p><b>7.7 Call Back clause</b></p>	<p>The CFMMEU raised a number of questions relating to the application of clause 7.8.</p> <p>Specifically;</p> <ol style="list-style-type: none"> <li>1. 7.7(b)(1) – CFMMEU is seeking to understand what specific “job”, including tasks an employee could be directed to return to the workplace to perform.</li> <li>2. 7.7(b)(2) – CFMMEU seeking clarity around the interpretation of this clause. For example, an employee works a 12.5 hour shift, but 10 hours are ordinary hours and there's no meal break in the last 2.5 hours of the employee's shift. The employee has two paid meal breaks during their 12.5 hour shift.</li> <li>3. 7.7(b)(3) – CFMMEU is seeking clarity around the interpretation and application of the clause. For example, if an employee who works a 12.5 hour shift is called back to work, they would be in breach of the fatigue</li> </ol>

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		<p>management protocols in Queensland.</p> <p>4. 7.7(c) – The CFMMEU is seeking clarity around the interpretation and application. For example, an employee who works a 12.5 hour shift and is called back to work for 3 hours, they would have worked a total of 15 hours. This means they only have a 9 hour break between ceasing their shift and commencing their next shift.</p>
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<p><b>Discussion on bargaining representatives proposal</b></p>	<p>The parties continued discussions on the following proposals:</p>	
	<p><b>Topic</b></p> <p><b>COVID-19/Pandemic provision</b></p>	<p><b>Details of discussion</b></p> <p>Bargaining Representatives are seeking the inclusion of a COVID-19/Pandemic clause in the Agreement that deals with the application of leave during a number of pandemic related scenarios.</p> <p>The CFMMEU and Bargaining Representatives will propose a draft clause.</p> <p><b>OS Response:</b> OS will consider any proposed draft clause.</p>
	<p><b>Location of Crib huts (including dust monitors)</b></p>	<p>Bargaining Representatives have raised concerns about the location of the crib huts, specifically that they are located in the pits. The Bargaining Representatives advised that this reduces an employee's ability to communicate with family members during their shift.</p> <p>The Bargaining Representatives have suggested that the crib huts are relocated to a position out of the pit.</p> <p>The CFMMEU also noted that if the crib huts are located in the pits then there needs to be dust monitoring practices in place.</p> <p><b>OS Response:</b> Location for breaks and any travel time to the break location depend on work location and are best managed by supervisors and their teams on site.</p> <p>OS does not agree to include a clause in the Agreement that stipulates the specific location of the crib huts, however OS will consider the current location and if there are any amendments that can be made to the current arrangements.</p>
	<p><b>Accommodation</b></p>	<p>Bargaining Representatives requested that OS consider introducing back to back permanent accommodation at camp. It was suggested that back to back accommodation is occurring for other BHP Asset employees and contractors.</p>

		<p><b>OS Response:</b> OS is reviewing accommodation arrangements and seeking to make enhancements to the current arrangements, including the provision of back to back rooms.</p>
	<b>Accident Pay</b>	<p>The CFMMEU requested a copy of the Company's Accident Pay Policy (<b>Workers Compensation Policy</b>) to enable them to do a comparison between Company policy and the proposed CFMMEU draft clause.</p> <p><b>OS Response:</b> OS will provide a copy of the Workers Compensation Policy.</p>
	<b>Training outside of normal shift pattern</b>	<p>Recently OS proposed clause 7.8 which deals with circumstances in which the Company directs and employee to undertake training outside of the employee's normal shift pattern. The CFMMEU advised that it should be at the employee's discretion to choose between 'time off in lieu' or 'overtime'.</p> <p><b>OS Response:</b> OS acknowledges the CFMMEU's position and will consider its own position.</p>
	<b>Stand down and Stand aside</b>	<p>The CFMMEU and Bargaining Representatives maintain their position that OS should not be able to stand down or stand aside an employee without pay, for misconduct. They have advised that the current drafted clause in the proposed OS Agreement allows OS broad discretion to stand employees down without pay.</p> <p><b>OS Response:</b> OS advised that current practice is to stand down and employee with pay, pending the outcome of an investigation, and maintains that this clause is intended to be used in a consistent manner. However, OS acknowledges the CFMMEU and Bargaining Representatives position and will consider the CFMMEU's position and consider whether any changes can be made to drafted clause.</p>
	<b>Redundancy</b>	<p>The CFMMEU has requested further discussions and an explanation of how the redundancy clause drafted by OS provides greater job security to employees. The CFMMEU maintains that the redundancy clause as per the CFMMEU draft agreement provides OS employees with greater job security.</p> <p><b>OS Response:</b> OS' business and employment model includes a point of hire clause which provides employees with ongoing employment and enables OS to place employees at alternate sites within the "hub", particularly in the event of resource changes. OS will again consider the CFMMEU's position and provide a response at our next meeting.</p>

	<p><b>Ordinary working hours</b></p>	<p>A Bargaining Representative was seeing clarity around what the weekly ordinary hours would be under the proposed OS Production Agreement.</p> <p><b>OS Response:</b> OS confirmed that:</p> <ul style="list-style-type: none"> <li>(i) in the case of an employee to whom the Mining Industry Award 2020 would apply but for the operation of the Agreement, an average of 38 ordinary hours per week, averaged over their roster cycle; and</li> <li>(ii) in the case of an employee to whom the Black Coal Mining Industry Award 2020 would have apply but for the operation of the Agreement, an average of 35 ordinary hours per week, averaged over their roster cycle.</li> </ul> <p>The Bargaining Representatives confirmed their understanding. The CFMMEU advised that they maintain their position that ordinary hours per week should be 35 hours, regardless of which modern award would have applied, but for the operation of the Agreement.</p>
	<p><b>Public Holidays</b></p>	<p>Bargaining Representatives continued to press their claim of a public holiday provision in the proposed OS Production Agreement.</p> <p>The Bargaining Representative put forward a revised position, which:</p> <ul style="list-style-type: none"> <li>(i) acknowledges both Christmas Day and Boxing Day as public Holidays;</li> <li>(ii) maintains that OS cannot direct an employee to work on a public holiday; and</li> <li>(iii) states an employee to be paid double time for time worked during ordinary hours, in addition to the payment prescribed.</li> </ul> <p><b>OS Response:</b> OS is a 24/7 business and rosters are worked on a 24/7 basis. To meet our KPI's and commitments to our customers, we need to rostered shifts on Christmas Day and Boxing Day. However, OS will continue to consider the Bargaining Representatives revised position.</p>
	<p><b>Comprehensive Agreement</b></p>	<p>Bargaining Representatives continued to press their position of a comprehensive agreement. OS acknowledged their position and acknowledges that we remain apart on this matter.</p>
	<p><b>Wages</b></p>	<p>Bargaining Representatives have requested a breakdown of wages in accordance with the Black Coal Mining Award to understand the weekly wage as per the award and award plus 5%.</p>

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		<p><b>OS Response:</b> OS have agreed to put a table together to demonstrate the minimum salaries under the BCMI and the proposed Award plus 5%.</p>
	<p><b>STI / Bonus</b></p>	<p>Bargaining Representatives have requested that OS consider revising the STI/Bonus scheme so employees could opt to receive payments over multiple payments during the following FY, rather than in a one lump sum payment.</p> <p><b>OS Response:</b> OS employees are eligible to participate in the OS short term incentive (<b>STI</b>) scheme. The STI scheme is a BHP Scheme which provides benefits and flexibilities for individual recognition, and which can respond to market and best practice. OS will consider the request for multiple payments instead of lump sum payments and respond at the next meeting.</p>
<p><b>Next Meeting</b></p>	<p>The next OS Production bargaining meeting has been scheduled for Tuesday, 6 September 2022.</p>	

Actions		
Action	Responsible	Date to be completed
OS to review salary increases (as of 1 July 2022) for employees based at Saraji	OS	ASAP
Respond to claims/matters raised by CFMMEU	OS	6 September 2022
Respond to claims/matters raised by Bargaining Representatives	OS	6 September 2022
CFMMEU and Bargaining Representatives to respond to proposals tabled by OS	CFMMEU, AWU, Bargaining Representatives	6 September 2022
Provide Mitch Hughes (CFMMEU) the Company Accident Pay Policy ( <b>Workers Compensation Policy</b> )	OS	6 September 2022
OS to provide salary tables which demonstrate Award wages and Award plus 5%	OS	6 September 2022
OS to advise CFMMEU if there are any outstanding claims/positions that have not been responded to	OS	6 September 2022

### Appendix 1

Attendance List	
Mitch Hughes	CFMMEU QLD
Harriet Daniels	Employee Bargaining Representative
Brodie Allen	Employee Bargaining Representative
Dannielle Annand	Employee Bargaining Representative
Drew Watson	Employee Bargaining Representative
Mitch Humbler	Employee Bargaining Representative
Reece Heald	Specialist Employee Relations
Lucy Bryan	Principal Employee Relations