

Operations Services Maintenance Agreement

Record of Meeting



Date 1 September 2022
Location Videoconference via WebEx
Attendees See Appendix 1

Agenda	
<ol style="list-style-type: none"> 1. Introduction & agenda 2. Discussion regarding bargaining 3. Logistics for next meeting 	
Summary	
Introduction	<p>OS shared the agenda for the meeting.</p> <p>OS noted Michael Wright (ETU), Craig Thomas (ETU), Rob Hannaford (OS) and Joe Browne (OS) were apologies for the meeting.</p>
Discussion regarding bargaining	<p>Following the agenda being shared, the CFMMEU advised that they would like to have a discussion regarding the progress of negotiations.</p> <p>AMWU (QLD) on behalf of East Coast unions, including the ETU, advised:</p> <ul style="list-style-type: none"> • They are no longer interested in engaging in bargaining in its current format. • They believe OS is engaging in surface bargaining to maintain its commercial status quo. • The Unions have made attempts to resolve the Agreement, but that their proposals continue to be rejected by OS. • The current price of coal and inflation are at record highs. • They believe we are bargaining in perpetuity, and they are not prepared to do this. • They believe a circuit breaker is necessary. • Requested OS put a proposal to bargaining representatives which bargaining representatives will agree to. • Their non-negotiables for an Agreement include: <ul style="list-style-type: none"> - They will not agree an Agreement without wage escalations. - They will not agree to an Agreement without a comprehensive dispute settlement procedure. - They will not agree to an Agreement without reward to tradespeople and provisions that help them progress and get nationally accredited training. - They are flexible on rosters and travel allowances, but these remain critical issues. • They are open to discussing alternate forums for bargaining but will no longer participate in monthly WebEx meetings. • Should OS not provide a response to their request for a proposal, the Unions will take matters into their own hands and take action the best way they know how, which may include maximum disruption to operations. <p>OS:</p> <ul style="list-style-type: none"> • Sought clarity as to whether the AMWU are refusing to participate in bargaining. • Rejected that OS is engaging in surface bargaining. • Advised we are seeking to reach agreement on an Agreement which covers our national maintenance workforce on operational sites.

- Disputed no progress had been made and cited the number of drafting changes and proposals which have been going back and forth between the parties. Highlighted that OS has been engaging with and responding to the proposals put forward by all bargaining representatives. Noted that OS are not required to make concessions or agree to proposals.
- Stated our objectives for an Agreement remain apart and that this is likely the reason for the Union's frustration, rather than the format of bargaining.
- Noted we have always been open to discussing the duration and frequency of meetings, where an agenda warrants it. Stated that WebEx has been a useful platform to ensure all bargaining representatives who join bargaining meetings from different locations across Australia can participate in bargaining.
- Sought feedback from the other bargaining representatives present regarding the AMWU (QLD)'s feedback.

AMWU (WA) advised:

- They are aligned with the AMWU (QLD).
- Rosters, travel and overtime continue to be key proposals for them.
- Suggested OS put the proposed Agreement to a ballot.

CFMMEU:

- Asked whether OS would be prepared to enter into a s.240 bargaining dispute to seek assistance from the Fair Work Commission in attempt to resolve bargaining.
- Noted they believe a circuit breaker is necessary and that they see three options for bargaining moving forward, being:
 1. OS put the proposed Agreement to ballot
 2. The parties seek assistance from the Fair Work Commission
 3. The Unions consider protected industrial action

AWU:

- Agreed a circuit breaker was necessary and noted assisted bargaining sounds sensible.

Employee Bargaining Representatives:

- Sought feedback on how the use of different leave entitlements impact Short Term Incentive (STI) outcomes.
- Sought feedback on a medical consent form which has been distributed to a number of team members in the WA Pulleys and Gearbox crew.
- Agreed with the AMWU (QLD)'s sentiment and suggested the proposed Agreement would not get voted up in its current format.
- Expressed frustration at the length of time bargaining has been occurring for.
- Requested OS consider minimum pay level progression for non-trade roles.
- Noted they believe the Annual Reward Review (ARR) process allows for bias when determined individual outcomes.
- Continued to press STI payments be made quarterly, or in the event this was not possible, requested STI payments be made out of cycle to minimise tax paid in the pay period.
- Advised they do not support OS' Above Award Guarantee, as this may result in no guaranteed increase where an employee was already positioned above 105% of the relevant Award.
- Raised concern with the dynamic roster, with reference to:

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	<ul style="list-style-type: none"> - Travel time (fly in and out days) not being considered work time - Notice of rosters - Amendments to OS' process for payment where short notice shift changes occur - Crib room facilities - Differences in uniform entitlements <p>OS:</p> <ul style="list-style-type: none"> • Explained that with respect to STI: <ul style="list-style-type: none"> - Employees continue to eligible for STI during periods of paid leave - STI is pro-rated during periods of leave taken at half-pay - Employees are not eligible for STI during periods of unpaid leave - STI is determined at a BHP level on an annual basis, therefore OS is not able to determine and pay outcomes quarterly • Advised hygiene issues, such as explaining STI outcomes, would be raised with the relevant Line Leaders for them to address. <p>At the bargaining representatives request the meeting was then concluded.</p>
Next meeting	At the Unions request no further meetings have been scheduled.

Actions		
Provide feedback to WA Pulleys & Gearbox team regarding the use of paid personal leave on STI calculations	OS	16 September 2022
Provide feedback to WA Pulleys & Gearbox team on the use of medical consent forms	OS	16 September 2022
Provide a response to AMWU (QLD)'s request	OS	October 2022

Appendix 1

Attendance List	
Michael Caskey	Saraji Mobile
Cassie Baynton	Caval Ridge Mobile
Karthik Sundarraj	WA Mechanical Conveyors
Glen Hallums	WA Pulleys & Gearboxes
Renee Jones	WA Pulleys & Gearboxes
Mitch Hughes	CFMMEU (QLD)
David Buck	AMWU (WA)
Kegan Scherf	AMWU (QLD)
Shane Roulstone	AWU
Jessica Morkel	Principal Employee Relations
Brittany Keller	Specialist Employee Relations

Appendix 2 – Correspondence from Bargaining Representatives

RE: (INTERNAL) Operations Services Maintenance Agreement - Record of Meeting 250722



Morkel, Jessica

To 'David Buck'; 'Simon Rushworth'; 'Glenn McLaren'; 'Michael Wright'; 'Paul@etuwa.com.au'; 'Ash Bamford'; 'Mitch Hughes'; 'Smyth, Steve'; 'Shane Roulstone'; 'Lori Anderson'; 'Cassie Baynton'; 'Trev Spanner'; 'terry taylor'; 'superdanmanofsteele@hotmail.com'; +23 others

Bcc Hannaford, Robert; Browne, Joseph

↩ Reply ↩ Reply All → Forward ⋮

Mon 8/08/2022 12:16 PM



Classification: Internal

Hi all

During our last bargaining meeting OS took an action to explain how the salaries in the Award +5% tables were calculated. I have set out an explanation and example below. For ease of reference, I have also **attached** the email sent on 22 July 2022 which contained the salary tables.

Explanation of calculations of annual wage under the Award

To determine the annual wage an employee would be paid under the Award for each roster system, OS followed the following steps:

1. OS first determined the total number of hours a particular employee works over the course of a single roster cycle.
2. OS then determined what amount of the total number of hours worked were ordinary hours and what amount were overtime hours or hours that attracted a penalty rate (i.e. a weekend or night shift penalty).
3. OS then converted the non-ordinary hours (i.e. overtime, weekend and night shift hours) worked in a roster cycle to 'ordinary hour equivalents'. This was done by multiplying the time worked by the applicable penalty rate. For example, if an employee completed 1 hour of work at a time where they were entitled to be paid 200% of their ordinary hours' rate, then the time worked was multiplied by 2. In this scenario the employee has completed 1 hour of work but that has been counted as 2 'ordinary hour equivalents'.
4. OS then added together the ordinary hours and 'ordinary hour equivalents' to get the total number of 'ordinary hour equivalents' an employee works over the course of a single roster cycle.
5. OS then calculated the number of roster cycles an employee would work each year by dividing the number of days in a year (i.e. 365.25, to account for the leap year) by the number of days worked in the roster cycle (i.e. 14 days for a 7/7 roster).
6. Multiplying the 'ordinary hours equivalents' worked per roster cycle by the number of roster cycles per year gave OS the total amount of 'ordinary hours equivalents' worked per year.
7. OS then calculated the amount that the ordinary hour rate for each Award classification should be increased by to account for any all-purpose allowances that the employees are entitled to under the Award. Where this was set at a weekly rate, the rate was divided by the maximum number of ordinary hours an employee can work each week (i.e. 38).
8. The total number of 'ordinary hours equivalents' in a year was then multiplied by the ordinary hour rate for each Award classification (including all-purpose allowances) to get the total pay an employee would be entitled to per year under the Award.
9. OS then added to this amount any other allowances owing under the Award (i.e. those that aren't all-purpose allowances). Where these were weekly
10. Finally, OS added to the total an amount to account for employees working public holidays. The calculation assumed all employees worked a typical day shift on each of the 11 possible public holidays.

As an example of how the calculation works in practice, for the 8/6/7/7 Mining Award roster:

1. OS took the maximum number of ordinary hours an employee can work per week under the Mining Award (38) then multiplied that by the number of weeks in the roster cycle (4) and then divided that by the number of days worked in the roster (15). This was the total number of 'ordinary hours' the employee can work per day (10.13). This was then subtracted from the total shift length (12.5 hours) to get the number of 'overtime hours' an employee works per day (2.37).
2. OS then multiplied the overtime hours by overtime rate (i.e. by 2 for this roster) and the ordinary hours by any applicable penalty rate (i.e. by 2 for Sunday work or 1.15 for night shift work).
3. Adding these all together then gave OS the total 'ordinary hour equivalents' worked per roster cycle (which for this roster was 268.13).
4. OS then worked out the total number of roster cycles worked in a year by dividing the number of days in a year (365.25) by the number of days worked in a roster cycle (28). This amounts to a total of 13.04 roster cycles worked in a year.
5. The number of roster cycles worked by year (13.04) was then multiplied by the number of 'ordinary hours equivalents' worked per roster cycle (268.13) which gave OS the total amount of 'ordinary hours equivalents' worked per year (which for this roster was 3497.70).
6. OS then calculated the appropriate base rate for each classification in the Mining Award by converting each all-purpose allowance to an hourly rate, rather than a weekly rate. For this roster cycle that meant dividing both the industry allowance (\$34.81 per week) and the licence allowance (\$42.81 per week) by 38 (the maximum ordinary hours per week) and then adding this to each classification's base rate.

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7. Multiplying the base rate for each classification (including all-purpose allowances) by the number of 'ordinary hour equivalents' worked in the roster cycle gave the total pay an employee covered by the Mining Award would be entitled to for working an 8/6/7/7 roster.
8. OS then added to this amount the other allowance owing under the Award, which for this roster is the First Aid Allowance of \$18.82 per week. This was converted to a yearly amount by multiplying it by the number of weeks worked per year under the 8/6/7/7 roster system. For this roster system 27.95 weeks are worked per year. This number was calculated by dividing the number of days worked in the cycle (i.e. 15 for this roster) by the number of days in a week (7), which gives the number of weeks worked in a cycle (i.e. 2.14). This number was then multiplied by 13.04, i.e. the number of roster cycles per year, which amounts to 27.95 (i.e. the number of weeks worked per year). Multiplying this by \$18.82 gives \$526.07, which is the total First Aid allowance payable per year under the Award for the 8/6/7/7 roster.
9. Finally, OS added to the total an amount to account for the 11 public holidays worked per year. As public holiday work is paid at 250%, the 'public holiday loading' payable under the Award was calculated by multiplying the ordinary hours worked on a typical day shift (10.13) by 1.5 and the amount earned for overtime hours (2.37) by 0.5. This was then added together, multiplied by 11 and then multiplied by the base rate for each classification (including all-purpose allowances). As one of the public holidays, Easter Sunday, is already paid at double-time, this amount was then discounted from the total figure.

***Note:** The figures in the above have been rounded for ease of review. They were not rounded in OS's calculations.

Kind regards

Jess

Subject: Re: (INTERNAL) Operations Services Maintenance Agreement - Record of Meeting 250722

Hi Jess

I have been asked the question on my crew how do Service persons (non-trade) get to be Mineworker advanced or specialised when looking at the proposed agreement non trades are just mineworkers in regards to minimum pay where trades have 2 categories. Some aren't even getting paid near Mineworker rates on site.

Thanks
Cassie

Subject: RE: (INTERNAL) Operations Services Maintenance Agreement - Record of Meeting 250722

Classification: Internal

Hi Cassie

Thanks for your email. OS is not currently required to pay the amounts set out in the Award +5% tables sent to bargaining representatives on 22 July 2022. At present, OS is only required to ensure it pays 100% of the relevant Award for the hours an employee works. Should the proposed Agreement come into effect, OS would then be bound by the 'Above Award Guarantee' and be required to pay at least 105% of the relevant Award. This may result in an increase for some employees if those employees are not currently being paid at 105%.

With regards to your question on career progression for employees in serviceperson roles, OS values development and all employees should currently be working with their Supervisor to set their personal development goals for FY23. From an Agreement perspective, if a serviceperson wants to move to the level required to be paid against the Mineworker Advanced or Mineworker Specialised classification of the *Black Coal Mining Industry Award 2020*, they would need to complete further education to obtain a trade qualification.

Kind regards

Jess