



Last Minute Negotiations but In-Principle Agreement Still to be Reached.

Three meetings were held last week to try and reach in-principle agreement on a new Collective Agreement for Stanwell corporate employees last week before the end of November, but despite these meetings there remain some important issues where the employer has not satisfactorily responded to the claims of union members.

One of the main sticking points where we have been unable to reach agreement is about attachment of the Electricity, Generation, Transmission and Supply Award State (EGTS) to the final Agreement.

Our union, and the other unions involved in these negotiations, believe attaching this document to the Agreement is a vital measure in protecting the conditions of members that are contained within it. So far Stanwell management has agreed to attach the EGTS Award to the proposed Agreement only if the unions promised that the EGTS Award would not be attached in the next Agreement – but we can't make promises now about what will or won't be contained in the next Agreement. The view of all unions in regards to the attachment of the Award has always been clear to Stanwell management and should not have come as any surprise to the management negotiators.

Attached to this bulletin you'll find the offer that was tabled to the Unions on 21 November, 2011. Many items in the offer document had already been negotiated by the parties. However, one important item had not been discussed in negotiation meetings prior to this offer being made, and that is how legacy Tarong employees will be affected by the proposed Agreement.

The merging of Stanwell Corporation Ltd and Tarong Energy Corporation Ltd following the GENCO review means that legacy Tarong Corporate employees would not automatically be covered by the proposed Stanwell Corporate Agreement.

The Fair Work Act (the industrial legislation covering your workplace) includes terms that ensure the employees who are deemed to be a transmitted employee continue to be covered by the Enterprise Agreement in that was in place for their workplace prior to the transfer of business. In practice

this means that legacy Tarong Corporate employees will only fall under the coverage of the proposed Agreement when either the Tarong Energy Corporation Limited Certified Agreement 2006 expires in 2012 or is replaced by a new agreement.

Prior to 21 November, it was understood that Stanwell management would support arrangements being put in place to ensure the new Agreement covered both legacy Stanwell and legacy Tarong employees from the date the new Agreement came into operation. That Stanwell would rely on the Fair Work Act to say that legacy Tarong employees would not immediately be covered had not been raised by Stanwell management representatives prior to the meeting of 21 November.

This is a complex issue that directly impacts on what terms and conditions will apply to legacy Tarong employees once the new Agreement takes effect, so it's extremely important that we understand what impact Stanwell's position has for our legacy Tarong members and ensure that every measure is in place to ensure that they enjoy the benefits of the new Agreement.

A further point of contention has been the way in which Stanwell management proposes to apply the wages increases under the new Agreement, with different wage increases to apply to legacy Stanwell and legacy Tarong employees on the basis that legacy Tarong employees received a 4.5% increase on 1 July 2011 under the Tarong Agreement. Your union representatives have sought and received clarification from Stanwell that under this proposal all employees (whether legacy Stanwell or legacy Tarong) will receive the same wage increases in the second and third year of the proposed Agreement.

A further meeting was held on 5 December, 2011 to try and resolve the outstanding issues. All parties will continue to meet until agreement can be reached. Your Union Representatives will continue to make every attempt to resolve these outstanding items as quickly as possible.

If you require further information in relation to these negotiations, please contact your workplace Delegate or phone the union office on 1800 177 244 or alternatively email: members@qld.asu.net.au

YOUR COLLECTIVE AGREEMENT – YOUR SAY

MEMO

SCL Corporate Enterprise Agreement

TO : APESMA, QSU & ASU
FROM : Stanwell Corporation Management
DATE : 21 November 2011

Following further negotiations with the APESMA, QSU and ASU, Stanwell have developed a formal "Without Prejudice" Offer for the SCL Corporate Enterprise Agreement. This is the first formal offer made by Stanwell and is subject to an in principle agreement being reached prior to 30 November 2011.

We reserve our right to table another offer based on the feedback provided by union and workplace representatives.

Offer Dated 21 November 2011

The main elements of the offer for inclusion in the Enterprise Agreement are:

- **3.5% per annum** base rate increase (with 1% linked to productivity initiatives) from 1 November 2011 (if in-principle reached by 30 November 2011), 30 October 2012, then 30 October 2013. Tarong legacy employees will receive an increase of 2.5% on conversion to the new classification structure which will be back dated to 01 November 2011.
- **0.5% per annum payment** – linked to productivity and paid as a lump sum on commencement of the agreement and then on the corresponding anniversary dates;
- **New incentive scheme** – the previous entitlement of up to a 12% incentive scheme in the Tarong agreement will now extend to all employees covered by this agreement.
- **Maintenance of legacy Tarong Energy** clauses for the payout of sick leave on retirement, leave loading and the additional 4 weeks redundancy pay.
- Implementation of a **new classification structure** and updated position descriptions. All legacy Tarong and Stanwell EA employees will be assessed against this new structure and position descriptions reviewed within 6 months of certification. AEA employees will be exempt from this process unless they specifically request to be included in the project. It is also proposed a reduction to the AEA entry at one below the current level 11. The new classification structure merges the old levels 9 and 10, and as a result the new AEA entry will now be at level 9.
- Access for employees covered under this agreement to take Long Service Leave at half pay.
- Proposal for a **daily on call allowance** of \$80.00 (indexed to annual EA increase) for EA employees who are required by the company to be on call. Employees on an on-call roster that respond to remote calls between 9pm and 6am will receive a minimum payment of one hour of overtime. This will cover the employee for any calls taken within that hour. If the employee responds to further calls after this initial 1 hour period they will be eligible for an additional hour of overtime. Employees that respond to remote calls between the hours of 6:00am and 9:00pm of greater than 30 minutes will receive a minimum payment of one hour of overtime. If the employee takes multiple calls of short duration on one day that add up to greater than 30 minutes then the employee may accumulate these calls and claim the minimum 1 hour of overtime. Or, in lieu of being paid the above overtime, the employee can elect to exchange the overtime for an equal amount of time off at single time. Such time can be accrued to a maximum of three (3) days.

- One weeks **paid parental leave** (paid as special leave) and option for additional one week taken as personal leave;
- 14 weeks paid **adoption leave**
- Inclusion of a **higher duties clause** based on the award provision as well as continued payment during periods of annual leave.
- Inclusion of a **special maternity provision** where after the first twenty weeks, a pregnancy results in an outcome other than the birth of a living child or where the child dies during the period of paid maternity leave, the employee shall continue to be entitled to 14 weeks paid leave.
- Inclusion of a **Flexible Work Options** clause
- Inclusion of administrative changes and **Fair Work Act** mandatory clauses.
- Agreement to expire from 30 October 2014
- **EGTS** Award will be referenced in the agreement. The parties agree to establish a project team who will recommend additional terms that are agreed to be included in the next Corporate Agreement.
- Indexation of a First Aid Allowance as per EA increase.

Productivity Initiatives:

Title of the Initiative	Details
E-Recruitment	<p>Stanwell will establish an internal recruitment function with an E-Recruitment platform. Once established, vacancies will be managed through the E-Recruitment system. This initiative will result in a reduction in the cost of recruiting.</p> <p>All employees will be required to use the E-Recruitment system.</p> <p>This initiative will also streamline the recruitment process and allow employees to remain focussed on operational duties.</p>
E-Learning	<p>During the life of the agreement, targeted training programs will be delivered online and this will reduce the number of hours that employees are engaged in face-to-face programs.</p> <p>This flexibility will allow an employee to undertake training at suitable times so they can remain focussed on their work duties.</p>
On-line Performance Reviews	<p>The current Stanwell Performance Review system for corporate employees is manual and paper-based. As a result significant productivity time is lost through the physical administration of the system both by employees, managers, administration and HR staff.</p> <p>Stanwell proposes to review and implement in the life of the Agreement an on-line Performance Review program. It is anticipated this program will be delivered in the last year of the Agreement.</p>

Other Elements of Offer:

Introduction of Health and Wellbeing Initiative of up to \$300 contribution per employee per annum indexed annually at the applicable EA salary rate increase e.g. 3.5%. This initiative would occur outside of the agreement and would include reimbursement for activities that improve the health and



**SCL CORPORATE ENTERPRISE AGREEMENT
NEGOTIATIONS OFFER**

21 November 2011

wellbeing of Corporate Office employees (such as gym memberships, sporting club fees and sporting equipment).

Membership Policy - Stanwell will commit to review and create a combined policy on RPEQ membership and support over the life of the agreement.

Transition to Retirement Policy - Stanwell will consider developing a new policy, outside the Agreement, consistent with the transition to retirement provisions in the Flexible Work Arrangements Tarong legacy policy and the legacy Stanwell policy.