

### Enterprise Agreement Frequently Asked Questions – as at 13 September 2021

#### About the Agreement

##### Q. What is an Enterprise Agreement?

A. An Enterprise Agreement is a collective agreement made between Hastings Deering (Australia) Limited (Hastings Deering) and its employees that sets out the terms and conditions of employment. This agreement covers about 1550 Hastings Deering employees.

##### Q. How long is the current Hastings Deering's Enterprise Agreement valid?

A. Our current Enterprise Agreement started on 12 March 2019 and nominally expires on 14 September 2021. It will continue to operate until replaced by a new agreement ("replacement agreement").

#### Flex Leave and Backpay

##### Q. What are the changes to Flex Leave?

A. Flex leave remains a benefit to employees, which provides the option of banking leave instead of being paid overtime. During the focus groups and the bargaining process you told us you want improved flexibility and payment terms with flex leave. As a result, the flex leave payout will be moved to February each year and the cap will increase from 10 to 20 days - this will enable you to use your flex leave instead of annual leave for the Christmas shutdown period.

##### Q. If the agreement is voted yes by a majority of the workforce, when will my backpay be paid?

A. If a yes vote is declared on September 28, you will be back-paid to September 13. Payroll will process the backpay across the next two pay periods to ensure it is accurate and paid out for all employees.

##### Q. If we have a successful yes vote and flex leave is paid out in February 2022, will the 2% pay increase be applied on payout?

A. Yes, if there is a successful yes vote in September your flex leave will be paid out in February with the 2% increase. This means that although your flex leave will have accrued at the current rate of the 2018 Enterprise Agreement, it will be paid out at the new rate of the 2021 Enterprise Agreement, with the 2% added on top. If there is a no vote, the current agreement will continue and your flex leave will be paid out prior to the end of the year at the current rate.

#### Reclassification

##### Q. Can I apply for a competency reclassification at any time?

A. Yes you can apply at any time. The proposed Enterprise Agreement has been amended to speed up and recognise your increase in the next full pay cycle. Currently employees have to wait for up to three months for their increase to be paid. We want to fix this to provide you with instant recognition of your reclassification.

### Q. How many times can you be reclassified?

A. The quarterly limitation imposed by the 2018 agreement has been removed to accommodate for a more frequent and accessible reclassification process. There is now no limitation on how many times you can be reclassified, as long as you are deemed competent at the time of assessment.

## WageGuard

### Q. What is WageGuard?

A. WageGuard is an industry leading income insurance policy that the company pays into on your behalf. This provides you with protection if you are ill or injured in a non-work related injury. The policy will pay your wages for up to two years until you can return to work.

During the feedback session it has become clear that employees are not aware that they have this protection and this is part of your conditions of working at Hastings Deering. This is an industry leading income protection policy that provides security to you and your family should you become ill or get injured in a non-work related illness or injury.

Not many other employers offer this.

### Q. What are the changes to WageGuard for the 2021 Enterprise Agreement?

WageGuard is currently paid by the company at 2.2% of your wage and is capped at \$1800 per week. As part of the current offer, this will be increased to 2.6% with improved protection. The improved protection will include no capping on maximum wages with up to 90% of your wage paid for up to two years of non-work related illness or injury and a limited wait time of 14 days.

This is an industry leading income protection policy that provides security to you and your family should you become ill or get injured in a non-work related illness or injury.

## Employee Incentive Scheme

### Q. What is the Employee Incentive Scheme (EIS)?

We have had overwhelming feedback from employees during the survey that they would like to see an Employee Incentive Scheme (EIS) introduced for all Enterprise Agreement employees, similar to that which has run in Central Queensland Field Service for the last three years. The idea of the scheme is to allow you to make bonus money throughout the year, should the business perform and the agreed key metrics are achieved.

This has been offered by the business to improve on your Enterprise Agreement terms and conditions while working for Hastings Deering and for you to earn additional money as the business performance improves. To reinforce the company's support of this incentive, the EIS was offered as part of its own log of claims - this has not been negotiated in place of any other bargaining claim.

We have had a successful scheme running in Central Queensland Field Service for several years where the metrics are agreed and the bonus paid on nearly all incentive periods.



### **Q. How will the Employee Incentive Scheme (EIS) work?**

We will work closely with you on this, we really want an Employee Incentive Scheme (EIS) that works well, so you can help improve the businesses performance, improve your job security and make bonus money.

The scheme will start in the first full quarter following a successful yes vote – this will be in October 2021. It will be tailored for each of the four regions: NT, FNQ, CQ and SEQ because each region has different markets and customers (i.e. Coal, Construction and Marine Industries).

A scorecard will be populated with results and reviewed at the Local Consultative Committee meetings each month with employee representatives. The EIS bonus is paid quarterly based on the scorecard, you can earn up to \$750 per quarter.

### **Q. Will the Employee Incentive Scheme (EIS) metrics be achievable?**

A. We will work very closely with your employee representatives at the Local Consultative Committees to design a set of metrics for your region which are tailored and realistic to support a successful scheme.

This can be a win for both you and the company. If the company performs well off the back of your efforts, you can share in the benefits and we want you to.

### **Q. Will the Employee Incentive Scheme (EIS) bonus be taxed?**

A. Yes, all payments made under such a scheme will be subject to tax per Australian Tax Office guidelines.

### **Q. Can Employee Incentive Scheme (EIS) bonus be paid into my Superannuation?**

A. Yes, your bonus money can be paid into your superannuation. There is a process and forms to be filled out in advance, please contact payroll should you wish to set up: [bnepayroll@hastingsdeering.com.au](mailto:bnepayroll@hastingsdeering.com.au) Please seek independent financial advice around tax and superannuation for the best way to manage your pay and deductions.

## **Changes in the New Agreement**

### **Q. What are the main changes from your current Agreement to the proposed 2021 Agreement?**

A. Changes have been made to the current Agreement following negotiations between the company, the union and employee representatives. These changes are presented in the draft 2021 Agreement (in a marked-up version and clean version), and a document that summarises the changes in a table format for easy reference. These three documents are available on the website in the Key Documents tab marked as DRAFT Marked-Up copy, DRAFT clean copy, and Summary Change Document at: [Key Documents | Hastings Deering](#)



### **Q. Where do I find all of the information about the Enterprise Agreement and the consultation?**

A. Throughout the bargaining process, Hastings Deering has published all relevant documents in real time. On the website you can find the Log of Claims negotiated for the 2021 Agreement, Minutes of each bargaining meeting, FAQs, a letter from Managing Director Mark Scott about the September vote, a copy of the draft 2021 Agreement both clean and in mark up, plus a Summary Change Document. Please visit: [www.hastingsdeering.com.au/ea2021](http://www.hastingsdeering.com.au/ea2021)

Continue to chat to your leader and keep an eye on your mobile phone, as we will send you text updates as key documents are posted on the website.

### **General Questions**

#### **Q. Do I have to vote?**

A. Voting is not compulsory but every vote is important and every vote counts. We encourage all employees to vote as this is your future. If you don't vote, it is simply not counted and you are not having your say. We strongly encourage you to vote for the agreement, and you can do this easily in person at a Hastings Business Centre, over the phone, or on the internet.

#### **Q. What happens if the Enterprise Agreement vote is unsuccessful?**

A. If we are unsuccessful in gaining a yes vote, it is more likely that another ballot will not be held until early in 2022 due to Christmas shut down, the annual leave period and the time that is needed to restart this process. It will also mean that you will not receive your pay increases and flex leave for the Christmas shut down period.

Unfortunately, there will be no back pay and you will have to wait until the Fair Work Commission has approved the Enterprise Agreement, which can take up to a further three months after a successful vote.

#### **Q. What is happening with Coal Prices at the moment?**

A. While prices are currently strong, it is a short term spike which is forecast to significantly drop by the middle of 2022. Market analysts are viewing the higher prices as short term demand rather than a long term boom. China trade tensions plus volatility in demand is seeing price pressure continue from our customers. We are feeling the impacts from our mining houses around components and heavy equipment pricing.



# ENTERPRISE AGREEMENT 2021

## WORKING TOGETHER TO SECURE OUR FUTURE

### More information

#### Q. Where do I find more information or give feedback?

For feedback or questions, please speak to your supervisor or manager, or email: [ea2021@hastingsdeering.com.au](mailto:ea2021@hastingsdeering.com.au) or contact the HR team on 1800 244 672.

To keep up to date with the latest information about the Enterprise Agreement, you can also visit the EA 2021 website: [www.hastingsdeering.com.au/ea2021](http://www.hastingsdeering.com.au/ea2021)

You will also receive regular text messages when key information is released, so please keep an eye on your mobile phone.

