

INDUSTRIAL DISPUTES TRIBUNAL

Dispute No: IDT 19/2016

SETTLEMENT OF DISPUTE

BETWEEN

PETROJAM LIMITED

AND

PETROLEUM WORKERS' ASSOCIATION

(affiliated to the Union of Clerical, Administrative and Supervisory Employees)

AND THE

AWARD

I.D.T. DIVISION

MR. CHARLES JONES, C.D., J.P. – CHAIRMAN

MR. ERROL BECKFORD – MEMBER

MR. D. TREVOR McNISH – MEMBER

SEPTEMBER 26, 2016

IDT 19/2016

INDUSTRIAL DISPUTES TRIBUNAL

AWARD

IN RESPECT OF

AN INDUSTRIAL DISPUTE

BETWEEN

**PETROJAM LIMITED
(THE COMPANY)**

AND

**PETROLEUM WORKERS' ASSOCIATION
(THE ASSOCIATION)
(An affiliate of UCASE)**

REFERENCE:

By letter dated April 23, 2016 the Honourable Minister of Labour and Social Security in accordance with Section 9 (3) of the Labour Relations and Industrial Disputes Act (hereinafter called "the Act"), referred to the Industrial Disputes Tribunal for settlement in accordance with the following Terms of Reference, the industrial dispute described therein:-

The Terms of Reference were as follows:

"To determine and settle the dispute between Petrojam Limited on the one hand and the Petroleum Workers' Association (affiliated to the Union of Clerical, Administrative & Supervisory Employees) on the other hand, over the Association's claim for increased wages and improved working conditions."

DIVISION:

The Division of the Tribunal which was selected in accordance with Section 8(2) (c) of the Act and which dealt with the matter initially, comprised:

- Mr. Norman Wright, Q.C. – Chairman
- Mr. Errol Beckford – Member, Section 8(2) (c) (ii)
- Mr. D. Trevor M^cNish – Member, Section 8(2) (c) (iii)

This was later reassigned and the Division of the Tribunal which was selected in accordance with Section 8(2) (c) of the Act and which dealt with the matter since August 24, 2016, comprised:

- Mr. Charles Jones, C.D., J.P. – Chairman
- Mr. Errol Beckford – Member, Section 8(2) (c) (ii)
- Mr. D. Trevor M^cNish – Member, Section 8(2) (c) (iii)

REPRESENTATIVES OF THE PARTIES:

The **Company** was represented by:

- Ms. Angela Robertson – Attorney-at-Law

In attendance was:

- Mrs. Roselee Scott-Heron – Manager, Human Resources Development & Administration

The **Association** was represented by:

- Mr. Vincent Morrison – President
- Mr. John Levy – General Secretary

In attendance were:

- Mr. Linton Coke – Delegate
- Other Delegates

SUBMISSIONS AND SITTINGS:

By letter dated April 23, 2016, the Ministry of Labour and Social Security indicated that industrial action was threatened and an Emergency Sitting was held on April 23, 2016 where an Order to Refrain from Industrial Action was issued.

Brief was submitted by the Company and four (4) sittings were held between May 5, 2016 and September 1, 2016.

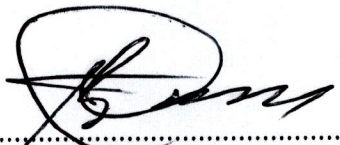
REPORT TO THE TRIBUNAL:

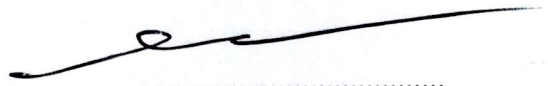
At the 4th Sitting on September 1, 2016, the parties informed the Tribunal that they have reached a settlement and tendered a copy of their signed Heads of Agreement for the Contract Period 2015-2016 concluded between the Petrojam Limited and Petroleum Workers' Association (an affiliate of the Union of Clerical, Administrative and Supervisory Employees) disclosing the settlement of the dispute.

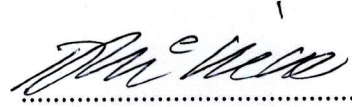
AWARD:

The attached Agreement dated August 31, 2016 executed under the signature of all parties to this dispute constitutes the Award.

DATED THIS 26th DAY OF SEPTEMBER 2016.



.....
Mr. Charles Jones, C.D., J.P.
Chairman


.....
Mr. Errol Beckford
Member


.....
Mr. D. Trevor M^cNish
Member



WITNESS:


.....
Nicola Smith Marriott (Mrs.)
Secretary to the Division

HEADS OF AGREEMENT

For the

CONTRACT PERIOD 2015 – 2017

Concluded between

PETROJAM LIMITED

On the one hand

And

**THE PETROLEUM WORKERS' ASSOCIATION AFFILIATED TO THE
UNION OF CLERICAL, ADMINISTRATIVE AND SUPERVISORY
EMPLOYEES**

On the other hand

Signed on

Wednesday, August 31, 2016

At the

Ministry of Finance and the Public Service

27

HEADS OF AGREEMENT BETWEEN PETROJAM LIMITED AND TECHNICIANS EMPLOYED TO THE COMPANY AND REPRESENTED BY THE PETROLEUM WORKERS' ASSOCIATION (PWA) WHICH IS AFFILIATED TO THE UNION OF CLERICAL, ADMINISTRATIVE AND SUPERVISORY EMPLOYEES (UCASE) FOR THE CONTRACT PERIOD APRIL 1, 2015 TO MARCH 31, 2017.

1. DURATION

The duration of the Contract shall be for two (2) years with effect from April 1, 2015 to March 31, 2017.

2. BASIC SALARIES

CLAIM: The PWA proposes an increase of 35% in basic salaries for the workers represented by this entity. This increase is proposed to be implemented as a 20% increase in the first year and the remaining 15% in the second year.

AGREEMENT: An increase of 7% on basic salaries with effect from April 1, 2015 and a further increase of 3% with effect from April 1, 2016.

3. JOB RECLASSIFICATION

CLAIM: The PWA is requesting that the Job Classification exercise which was previously agreed to with the Management and which is allowed under the terms of the MOU be completed during this contract period.

AGREEMENT: In keeping with the directive of the Ministry of Finance and Planning as per letter Ref. No. 56/271/2; approval was given for an internal relativity exercise to be conducted. As such, the Company is proceeding with the Job Evaluation Exercise for Internal Parity with an external consultant. This exercise is expected to be completed within the current contract period.

4. PRODUCT REBATE

CLAIM: The proposal for this contract period is for:

- (a) an increase in the overall product rebate from 60% to 80%
- (b) The product rebate benefit to be extended to the retirees from this category of workers
- (c) The increased levels be extended to all petroleum products.

AGREEMENT: The current rates and conditions remain unchanged, that is an allocation of:

- a. 425 litres of Petrol per person per month at 60% of the cost at the "Internal Gas Station";
- b. 4500 litres of Asphalt every two years with a 50% rebate ; and
- c. 400 lbs. of LPG per annum with a 50% rebate

5. OVERTIME SUBSISTENCE

CLAIM: The proposed adjustment in Overtime Subsistence is as follows:

| DESCRIPTION | CURRENT AFTER TAX VALUE | PROPOSED AFTER TAX VALUE 1/4/15 | PROPOSED AFTER TAX VALUE 1/4/16 |
|---|-------------------------|---------------------------------|---------------------------------|
| Full OT subsidy (rest days) | \$1700 | \$2100 | \$2500 |
| Unplanned OT Subsidy (Mon - Fri) | \$850 | \$1050 | \$1250 |
| Planned Extended Hour Subsidy (Mon-Fri) | \$425 | \$525 | \$625 |
| OT Transportation Subsidy | \$1700 | \$2100 | \$2500 |

AGREEMENT: The following rates have been agreed:

| DESCRIPTION | CURRENT AFTER TAX VALUE | AGREED AFTER TAX VALUE 1/4/15 | AGREED AFTER TAX VALUE 1/4/16 |
|---|-------------------------|-------------------------------|-------------------------------|
| Full OT subsidy (rest days) | \$1300 | \$1900 | \$2300 |
| Unplanned OT Subsidy (Mon - Fri) | \$650 | \$850 | \$1050 |
| Planned Extended Hour Subsidy (Mon-Fri) | \$325 | \$425 | \$525 |
| OT Transportation Subsidy | \$1300 | \$1900 | \$2300 |

6. OVERTIME MEAL SUBSIDY

CLAIM: The proposed increase in Overtime Meal Subsidy is from \$1250 to \$1500 per meal. The PWA is also proposing that arrangements be made with other entities so that

the meal subsidy can be redeemed at locations other than DJ's Café – the current concessionaire for Petrojam.

AGREEMENT: The rates for Overtime Meal remain at \$1,250 per meal with arrangements remaining with the current concessionaire only.

7. ON CALL ALLOWANCE

CLAIM: Currently the On Call Allowance is split such that Grade 6 Technicians receive \$15,000 monthly whereas grades 1-5 Technicians receive \$12,000 per month. The proposal is to increase the On Call Allowance for all PWA represented workers to \$25,000 per month.

AGREEMENT: On Call Allowance shall be increased with effect from April 1, 2015 for the contract period as follows:

- (a) Grade 6 Technicians from \$15,000 per month to \$18,000 per month
- (b) Grades 1- 5 Technicians from \$12,500 per month to \$15,000 per month

8. TRAVELLING ALLOWANCE

CLAIM: The PWA is requesting an increase in the allotted Travelling Allowance to \$40,000 for all PWA represented workers.

AGREEMENT: The following rates as approved by the Ministry of Finance by letter dated October 6, 2015:

| | April 1, 2015 | | April 1, 2016 |
|------------------|---------------|-------------|---------------|
| (a) Grade 6 | \$37,685.00 | increase to | \$41,454.00 |
| (b) Grades 1 – 5 | \$27,563.00 | increase to | \$30,320.00 |

9. VACATION ALLOWANCE

CLAIM: For the period beginning April 1, 2015, the PWA proposes an increase in the vacation Advance to at least \$45,000 with all other conditions remaining.

AGREEMENT: This benefit is an advance and not an allowance, the current rates of Vacation Advance of \$45,000 to Grade 6 Technicians and \$40,000 to Grades 1 to 5 Technicians to be unified at a rate of \$45,000 per occasion for all Technicians as at the date of this agreement. All other conditions remain unchanged.

10. MOTOR VEHICLE LOAN

CLAIM: The proposal for this contract period is for an increase in the repayment period for the Motor Vehicle Loan from 5 years to 7 years maximum and a decrease in the Loan

Renewal period from 5 years to a minimum of 3 years after the loan has been granted. Loan limits to be reviewed to reflect the current motor vehicle market rates, new limits proposed of \$2,500,000 and Interest rates be placed at 1% per annum.

AGREEMENT: The unifying of the Loan Limits from \$2.2M for Grade 6 Technicians and \$1.9M for Starts to Grade 5 Technicians to a new limit of \$2.5M with effect as at the date of this agreement. New loans may be considered after four years as per Policy and Interest Rates to remain at 1% per annum. All other conditions remain unchanged.

11. MAJOR MAINTENANCE LOAN

CLAIM: PWA proposes an increase from the current \$165,000 to \$200,000 with all other factors remaining constant.

AGREEMENT: An increase in the Major Maintenance Loan from \$165,000 to \$200,000 with all other conditions remaining unchanged as at the date of this agreement.

12. MORTGAGE PLAN

CLAIM: The PWA is requesting that the interest rate on the Mortgage Loan currently being offered by the Company via VMBS be decreased from 8% to 4% per annum. The current loan amount is J\$4M. The request is for this amount to be increased to J\$8M.

AGREEMENT: A decrease in the Interest rate from 8% per annum to 6% per annum as at the date of this agreement. All other conditions remain unchanged.

13. NIGHT PREMIUM

CLAIM: The PWA is requesting a night rate of 10% above the individual's regular rate

AGREEMENT: This item of claim will not be introduced.

14. DISCOMFORT ALLOWANCE

CLAIM: The PWA is requesting an increase in Discomfort Allowance for the Technician Group from its current level to \$20,000 after tax

AGREEMENT: The rates and conditions as set out in the attached letter dated August 25, 2016 is applicable.

15. EDUCATION ASSISTANCE

CLAIM: The PWA is requesting a doubling in Employee’s Child Education Assistance over a two year period and review of policy

AGREEMENT: The following rates have been agreed with effect from Academic year 2016/2017; payments to be made on a school year basis. All other terms and conditions remain unchanged.

| CATEGORY | CURRENT ASSISTANCE | REVISED ASSISTANCE |
|---|---------------------------|---------------------------|
| Primary, Preparatory and High School | \$26,500 | \$40,000 |
| Tertiary, Associate Degrees, Diplomas, Certificates etc. | \$41,043 | \$65,000 |
| First Degrees (Bachelor) | \$50,021 | \$85,000 |

16. IMPROVEMENT IN SAFETY MANAGEMENT

CLAIM: The PWA is requesting that there be an overhauling of the Safety Management System at Petrojam. We are requesting the formation of Safety Committee consisting of members from each Dept. Safety reviews should be conducted on a quarterly basis. Protective clothing be issued within the first month of each year. Members have complained about problems with accessing PPE which needs urgent attention.

AGREEMENT: Petrojam continues to review its Safety Management Programme with the addition of a number of initiatives to include:

- a. Safety Committee that meets on a monthly basis
- b. Enterprise Risk Management Program to be implemented; commencing with hazardous risk assessment
- c. Completion of Safety Audit, recommendations to be reviewed and implemented.
- d. Continuous review of our systems and procedures to ensure conformity with international standards

17. TOLL

CLAIM: \$2000 per week for employees living in Toll Areas

AGREEMENT: This item of claim will not be introduced

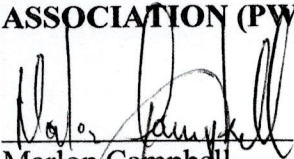
18. MEDICAL SCHEME


CLAIM: Company to cover full cost for employees and their family i.e. spouse and children

AGREEMENT: Changes to Medical Scheme are benefits as per attached benefits listing. All other terms and conditions remain unchanged.

For and on behalf of:

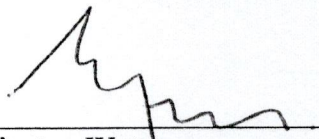
THE PETROLEUM WORKERS' ASSOCIATION (PWA)

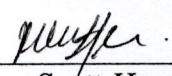

Marlon Campbell
President

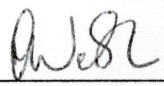

Linton Coke
Delegate

Gavin Wizzard
Delegate

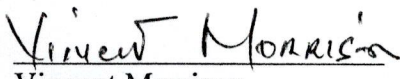
PETROJAM LIMITED

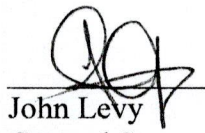

Winston Watson
General Manager


Roselee Scott-Heron
Manager HRD and Administration


Courtney Walsh
Acting Manager Refinery Production

UNION OF CLERICAL, ADMINISTRATIVE AND SUPERVISORY EMPLOYEES (UCASE)


Vincent Morrison
President


John Levy
General Secretary


WITNESS

Dated this 31st day of August, 2016

PWA HOA
April 1, 2015 – March 31, 2017