

VBIDP

VICTORIAN BUILDING INDUSTRY DISPUTES PANEL

CHAIRMAN: BOB MERRIMAN

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**CIVILMECH PTY LTD
CASEY AGED CARE
1 PEACE CT, (OFF CHESTNUT STREET) DOVETON**

- and -

CFMEU

RE: CLAIM OF SITE ALLOWANCE

047-2007

TUESDAY, 15 MAY 2007

DECISION

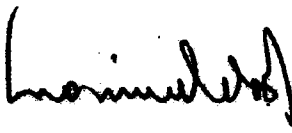
On 4 May 2007 Panel members inspected the project and conferred with the parties relating to a claim for site allowance.

Works currently underway relate to preparatory works and retaining walls constituting the initial phase of a proposed 100 bed aged cared facility for Southern Health. The works have a value of \$1.7 million and are contracted directly to the client. The Builder who will undertake the major construction has recently been appointed and the building contract has a value of \$16.4 million.

The Union has claimed that the initial contract in fact constitutes an integral part of the overall project and therefore the employees (up to a maximum of 10) engaged on the preparatory works should receive a site allowance of \$2.25 per hour work, consistent with the allowance which employees on the major building works will receive.

I have given this claim serious consideration and conclude that the project is "an enterprise carefully planned to achieve a particular result" and has a "clearly established entity that exercises control over its development". I therefore conclude that the current works do in fact constitute part of the overall works and the site allowance should apply to the works currently underway.

I note that the client representative was present at the Hearing who acknowledged that the earth works contractor would be seeking a "re-visit" of his contractual arrangements given that he was not fully appraised of the extent and total project value when he tendered for the project, therefore I would request that the client give serious consideration to the contractors claim.



BOB MERRIMAN
CHAIRMAN

DATED THIS 15TH DAY OF MAY 2007