

Newsletter

Issue 2 - January 2009



A Word from
Andrew

Happy New Year to all of you and your families!

We closed 2008 with probably the best Christmas Party ever! The major \$5,000 travel first prize went to one of our longest serving employees, Dave Gardner, and nine others hopefully had some luck with the "second place" lotto tickets. I had many people tell me what a great time every one had and a special thank you to Antoinette, Geoff Elliott and Steve Skea for organising the event.

I also had great feedback on our first newsletter and we hope the pattern continues with this one.

I'm pleased to see that we have a safe return to work in 2009 with all back on board after the Christmas and New Year holiday period. Our focus on safety in 2009 is as determined as ever to ensure each and every one of us contributes to a safe working environment. Our safety performance in 2008 saw continuous improvement but perhaps also saw a few too many areas to improve. This year we want to improve the "Lead Indicators" of safety performance including workplace inspections and audits, observations, incident reporting and housekeeping. Things that help us to prevent accidents and incidents. Remember to think about what you are going to do before you do it. Ask yourself "Is this safe?". If you're not sure, get help first. Your site safety advisor is there to assist and I ask you to tap into their experience to help you get the job done safely.

2009 is likely to be a challenging year work wise with the mining industry, in particular, cutting back on expansions and new developments as a result of the global financial crisis. On a positive note, we have recently opened a new office in Singapore to serve the long-term MAS contracts for ExxonMobil / FWP on the massive SPT Project and the Solar Panel Plant for REC / Bovis Lend Lease. We currently have around 150 people in Singapore, ramping up to over 400 in the near future. We also have around 250 people in Thailand working on the Woodside Pluto LNG Modules Fabrication contract with FWP / STP&I.

Our Commercial HVAC work is producing as usual, with a couple of major project opportunities in the pipeline, which could provide more work for a further 2 to 3 years.

Tom Harris and Billy Murdoch continue to send some great project photos of progress at the Windimurra Vanadium Project and we appreciate their project team's hard work and dedication to the team spirit. They were also the first back at work this year, beating me by at least 3 hours!

More great project opportunities in the Industrial and Resources sector are in our grasp in WA and NSW and we will work hard to secure them to ensure the continued growth of the business in these toughest of economic times. It will be a good year!

I hope you enjoy this second newsletter and look forward to a safe 2009.

Project Profile - Bishop's See Office Development, Perth



As it nears completion, Bishop's See office development will once again see Modern Industries put

its mark on the Perth Skyline. Situated on the corner of Spring St and St Georges Tce in the Perth CBD, Bishop's See is a landmark 5 star Green Star rated building.

So what is Green Star rating? The Green Star rating is a system designed by the Green Building Council of Australia, which relates to its management, the health and wellbeing of its occupants, accessibility to public transport, water use, energy consumption, the embodied energy of its materials, land use and pollution. A 5 star rating signifies Australian Excellence, while a 6 star rating signifies World Leader. Modern was audited on its scope and passed all aspects of its Green Star requirements.

Modern Industries scope of work comprised of ductwork fabrication and installation, installation

of mechanical plant, along with the supply and installation of chilled and heating water pipe insulation. The difficulty factor for this project was increased when the client opted for an integrated tenancy fitout, which meant the overall scope increased by approximately 50% with no extension of program. Thanks to careful supervision of this project from Ross Nunn, John Cairney, Nick Waslin and Ryan Hobbs the tight program has been met with total client satisfaction.

Bishop's See had also seen the first implementation of the Modern Industries HSEC Management Plan on a commercial project in the Perth CBD. As a company we were required to ensure all aspects of our HSEC components were monitored, including equipment registers, Job Hazard Analysis (JHA) sheets, training schedules and electrical tagging. A Multiplex audit was completed in mid November and Modern's successfully passed, showing a great commitment to safety by all involved in this project.

A very big thank you to all involved. Your efforts have seen another project successfully completed within program and budget.

HR

Payroll Services

In our second issue, let's inform you more about the process that gets you paid.

You may think that just a few buttons are pressed on a weekly basis to generate your weekly wages, however this is not the case..... its a very long process that can change dramatically on any given week.

Timesheets are the most important part of the process. It is therefore extremely important that your timesheet is completed correctly and the breakdown of hours you have worked on a particular project is indicated against that project's job number.

Your timesheet must be authorised by your Supervisor and/or Manager at the end of each completed week of work, as it is their responsibility to review and ensure the hours and the job numbers are correct, and that it gets passed to payroll on Monday morning. Note also if you are taking any form of leave which you have indicated on your timesheet, a company leave form must also be completed for authorisation, as this provides written advice to payroll for processing.

Timesheets are also the basis which the company can then invoice our clients with the time spent on their projects, hence generating income. It's a cyclical nature.

All timesheets are manually entered into the payroll system, so for an organisation of our current size, this can take a good half day. It's at this stage that we rely on being provided with the correct job numbers on timesheets, as this can hold up the pay process, it can cause errors with costing and also the possibility of payment errors.

The pay process commences on Monday and concludes on Wednesday, and during this time we manually process the timesheets, do constant

checking and reviewing, run reports, balance accounts, correct any errors or discrepancies and do last minute entries. We obtain final sign-off by management and then the payroll is downloaded to our bank for distribution into your own bank accounts on Wednesday evenings, for Thursday mornings.

So whilst we would all love a fully automated system that works on the push of a button, that's way off yet, so please be mindful with the information you provide and the time you provide it in.

Paying employees is only one of the many responsibilities that the payroll office has, so we'll hear about those in the next few issues.

Remember that Payroll and HR are here to provide you service, so if you have any queries or questions, just come in to see us. PS: We also love chocolate!!



On a Lighter Note

Reported as True Story (only in America)

If laughter is good for your health, this may help.

"In retrospect, lighting the match was my mistake. But I was only trying to retrieve my son's rat" Dick Stone told doctors in the severe burns unit of San Francisco Hospital. Admitted for emergency treatment after an attempt to retrieve the rat had gone seriously wrong, he explained "My son left the cage door open, so his rat, *Vermin*, escaped into the garage. As usual, it looked for a good place to hide and ran up the exhaust pipe of my motorcycle. I tried to retrieve him by offering food attached to a string, but he wouldn't come out, so I peered into the pipe and struck a match, thinking the light might attract him."

At a hushed press conference, a hospital spokesman described what happened next. "The flame ignited a pocket of residual gas and a flame shot out the pipe igniting Mr Stone's moustache and severely burned his face. It also set fire to the pet rat's fur and whiskers, which, in turn, ignited a larger pocket of gas further up the exhaust pipe. This propelled the rodent out like a cannonball." Stone suffered second degree burns and a broken nose from the impact of the pet rat. His son was grounded for six weeks.

(Nothing was reported on the rat's health.)



HSEC News

INCIDENT AND HAZARD REPORTING

Why and How do I Report a Hazard or Incident?

All incidents must be reported for very logical and purposeful reasons. The main reason for reporting incidents is to learn from the event and to prevent a reoccurrence. Reporting and rectification of hazards prevents an incident from occurring in the first place. If you notice a hazard and you don't attempt to fix it or report it, you are potentially exposing others to the risk of injury.

Aside from everybody having responsibility (duty of care) to report incidents and hazards, I personally hold the view that we all have a basic moral responsibility to ensure we attempt to fix hazards as they are found and also report both incidents and hazards so as not to expose others. Modern Industries require all incidents and hazards to be reported as soon as possible following the occurrence or finding to enable action to be taken to fix the problem. This is also

a statutory requirement. Prompt reporting of injuries is also required for worker's compensation purposes and delayed or non-reporting may jeopardize your claim.

On the occurrence of an incident, Moderns have a simple "Immediate Incident Form" alert form that must be filled out and faxed (without cover sheet) to the Modern fax number or email to the HSEC team. This is then distributed automatically throughout the company via email to senior management for actioning. Serious occurrences must also be reported to statutory authorities. Significant penalties apply for non-reporting.

Prevention of incidents and injury is really as simple as rectifying workplace hazards. Without reporting them it is likely the same event will reoccur.

Congratulations

Congrats to John and Amy Cleverley on the birth of their new baby girl, Erin. We have been told that mum, dad Aiden and Madison are all thrilled to have their newest addition at home and settling in nicely.

Christmas Party 2008

The 2008 end-of-year X'mas party was a great success and, I think I can safely say, an afternoon greatly enjoyed by all who attended.

It was a fantastic opportunity for everyone to be able to put faces to names and have an informal drink and chat.



A big congratulations to Dave Gardner, the lucky winner of the \$5,000 travel voucher door prize.

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