



A word from ANDREW

Winter is upon us and, for those of us in Perth at least, we finally have some rain to speak of. Having just come back from the Melbourne office I can assure you we haven't really had a cold spell yet.

The year is half way through already and seems to be continuing at a faster pace than ever.

All areas of the business are either firing on all cylinders or revving up ready to go.

The Fabrication and Commercial operations are performing well with City Square nearing its ultimate height on the Perth skyline and Fiona Stanley Hospital now visible from the city skyline. A new ductline installed recently in the Malaga fabrication facility will keep the supply chain well oiled. Jose, Vee, John, Ross Nunn, Pip and Ross Darch all need a pat on the back for keeping pace whilst we got this up and running.

Also a big happy Birthday to Ross Nunn who turns 21 and a bit on 7th July! I'll leave it to him to tell you how many bits!

The activity over East has been somewhat subdued since the round of state elections in Victoria and NSW however the dust, or rather the mud, appears to have settled and the work is now ramping up with considerable new work now mobilising and a busy second half of the year will keep George Korolew and his team out of mischief for a while hopefully.

Of particular interest has been the development of the Hertel Modern Offshore business unit. The newly acquired team comes with a wealth of Offshore Construction, Maintenance and Operating experience which we have been promoting with old and new clients in the region and the recognition is encouraging for the busy future of this business. The demand for energy and the increasing difficulties in finding and delivering this to the end users (all of us!) means that the experience of our Offshore team, led by Mike Horsfall, will be in demand for a long time into the future.

Thanks to all of you, our operating units and projects for some strong improvements in our safety performance over the first half of 2011. Zero incidents is achievable and so is 100% of our proactive targets on compliance, inspections, audits and reporting of safety matters. Keep up the good safety attitudes.

All the best to you and your families!

Andrew

HSE What is it?

Health Safety and Environmental Concepts Extend Beyond Statutory Compliance.

The main purpose of Occupational Health, Safety and Environmental management systems are to prevent personal injury, disease, illness and damage to property and the environment we live and work in.

As a Company we need to consider statutory legislation aspects of HSE, although as important is the corporate moral obligation to the workforce and the community we live and work in.

Another often overlooked matter are the cost implications on a company, the community and personnel as a result of "Non-compliance" or "Accident" and any resulting damage or injury to our main resource, the people employed by Hertel Modern.

HSE requires consideration as an important part of our everyday lives and not just a workplace consideration and definitely not as an imposition on what we are trying to achieve each day.

Hertel Modern regards effective implementation of HSE as an integral component of all corporate and project activities and as such requires the participation of all levels of the organisation in HSE aspects.

Corporate responsibility dictates that we need to display "Due Diligence" at all levels of management in regard to HSE. Although our company policy is clear in that HSE is a "Shared Responsibility", indicating a requirement for all levels of the organisation, including our subcontractors to become involved and actively promote HSE at every opportunity.

I implore everyone to not only be involved with HSE activities within the group, at home and at play but to also display an actively caring attitude and a responsibility towards the Health and Safety of yourself, the people you are in contact with each day and the Environment in which we live and work in.

Staff Profile Danny Ryan Site Supervisor Worsley Project



After completing his insulation and sheet metal apprenticeship under his father, Danny worked for several companies in the UK and Europe, such as Norway, Holland, Gibraltar, Italy, Belfast and the list goes on. Also a long spell working on the oil-rigs learning his trade. As a young lad these opportunities gave him great experience working with different people doing his trade.

In 1999 he moved from homeland Scotland to Australia and worked in a number of insulation and sheet metal companies around Australia for a couple of years.

Danny's first job with Modern was with Construction Manager Terry Winters on the Kwinana power station. Terry kept him on for years on several contract jobs in the Kwinana area, obviously he saw Danny's potential.

Danny worked with Modern in a few places of interest, Karratha, Thevenard Island, Esperance and the most interesting being Papa New Guinea with Construction Manager Ray Witts, which was a real eye opener to see how other cultures apply our trade.

Danny worked as a Leading Hand and then Supervisor and is now Site Supervisor on many contracts. The two biggest being Bluewaters project finished last year and now the Worsley project.

Danny's other interests include swimming, golf and soccer. His beloved team is the famous Scottish side Glasgow Celtic, which he follows every week. He has just bought his first motor bike—they say life begins at 40!!



PROJECT PROFILES

New Training Database

Hertel Modern is currently implementing a new system called MYOSH which is a risk management, occupational health and safety system.

Whilst the system is noted for its effectiveness within Occupational Health and Safety and particularly the management of hazards and incidents, it also contains a very significant training system which will allow us to track and maintain training records on each individual employee within the organisation.

It will allow us to set core competencies for each position within the organisation so as to easily determine the suitability of individuals for roles, and highlighting what training may be required to develop that person up to that role. More importantly with our client's continually auditing our systems, it will ensure that expiry dates on training/tickets are being maintained.

The system will highlight important changes in regulations such as the recent changes by Worksafe WA for "High Risk Work Licences (HRW)". Over the last few years Worksafe have request the conversion of old OSH cards to the new HRW Licenses, cards which cover works such as Scaffolding, Rigging, Crane & Hoist operation, Forklift Operation and Pressure equipment operation.

In brief Worksafe have now set restricted dates where a simple conversion of the card can apply. However if these dates for conversion have expired, it may mean that the OSH Card is no longer applicable and new training will be required to continue to carry that competency. This is most important in our line of work regarding Forklift operation, Materials Hoist, Personal & Materials Hoist and Boom-type EWP tickets, so please ensure that you visit the Worksafe website for information on how to convert your OSH card.

www.commerce.wa.gov.au/worksafe

Whilst the HR team work through the implementation of MYOSH, we will be reviewing the HRW licences with all other licences/tickets, however as this is an enormous task, we are requesting your assistance by providing new copies for our files.

Notifications will be sent out in the coming weeks and if you are unable to arrange copies outside of office hours, then please speak to your Supervisor to arrange copies to be taken.

Devil Creek Development

Type: Construction of Onshore Gas Plant
Client: John Holland Group
Principal: Apache Energy Limited
Location: Devil Creek (45 kms SW of Dampier) on North West Coastal Hwy
Duration: April to August

Key personnel include Project Manager Jose Da Silva and Site Supervisors Mark Horsfall and Jon Statham. Hertel Modern currently have 22 personnel working on the project which consists of painters, sheetmetal workers and ladders.



Scope of Works: The scope of works for Hertel Modern includes the surface preparation and painting of pipework throughout the gas plant. Light duty fabrication of sheetmetal and the installation of insulation and cladding on the pipework, valves and flanges is included also. Hertel has had over 11,000 hrs on site and is at 31% completion.

Hertel Modern have faced some interesting challenges on the project which include working on a remote site in harsh conditions. Devil Creek is located in the Pilbara in North West of WA and is typically considered an arid climate and is also in one of the worlds most notorius positions for severe cyclones. Whilst the weather is great now (sunny and 26 every day!!) it is expected to get hotter over the next few months and temperatures up to 50 will occur. Hertel Modern are completing quality works whilst maintaining the strictest safety and environmental standards.



New Starters

It's been some time since our last newsletter and that just goes to show how busy we all are. Since December 2010, we've had 108 new starters commence with Hertel Modern which is a significant number within this timeframe. Those new starters are predominantly on our larger projects such as the Fiona Stanley Hospital, Worsley and the Devil Creek Development Project.

Of note, we've had a few new employees in the head office at Malaga, namely **Karen Baker-Thornton** on reception. Karen has been with us just on 3 months now and is doing a wonderful job on our reception managing our clients and candidates whilst ensuring our office runs smoothly. We also welcome **Ros Plummer** on a part-time basis assisting with accounts processing from goods receipting through to payment. In the HR office we welcome **Eva Osborne** as HR Recruiter, and quite a large amount of these new starters are thanks to Eva's persistence and patience. Our latest newcomer in Malaga is **Larissa Reynolds**. Larissa will lend a very large and thankful hand to Debbie in Payroll 3 days per week and Pauline and Vanessa in accounts 2 days per week. In the offshore office, we welcome **Abbey Williams** who will be assisting us for a few months within the Operations and Administration area for Wandoo, and in the Eastern Region office, we welcome **Daniel Murphy** as Purchasing Officer, and somehow I don't think that's all he'll be doing!

Welcome to our team!

