

**REGISTER OF
ENTERPRISE AGREEMENTS**

ENTERPRISE AGREEMENT NO: EA04/102

TITLE: **Pacific Brands - Minto Distribution Centre and Ancillary Warehouses Agreement 2003**

I.R.C. NO: IRC4/92

DATE APPROVED/COMMENCEMENT: Approved 28 January 2004/Commenced 1 October 2003

TERM: 24 months

**NEW AGREEMENT OR
VARIATION:** Replaces EA02/80

GAZETTAL REFERENCE: 21 May 2004

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COVERAGE/DESCRIPTION OF

EMPLOYEES: The agreement applies to employees employed by the Bonds Distribution Centre Located at the Minto and any other finished goods warehouse sites, engaged in the classification of Storepersons who fall within the coverage of the Storement and Packers General (State) Award.

PARTIES: Bonds Industries Ltd -&- the National Union of Workers, New South Wales Branch

BONDS INDUSTRIES LIMITED STOREMEN AND PACKERS, GENERAL (STATE) AWARD ENTERPRISE AGREEMENT

1. Title

This Agreement shall be referred to as the Pacific Brands - Minto Distribution Centre and ancillary warehouses Agreement 2003. It replaces the Bonds Industries Ltd (MINTO) and Ancillary warehouses Agreement 2001.

2. Arrangement

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3. Application of Agreement

This Agreement shall apply to the Bonds Distribution Centre located at Minto and any other finished goods warehouses operated by Bonds in New South Wales, in respect to all award employees employed at these sites.

4. Parties Bound

The parties to this Agreement shall be Bonds Industries Limited and the National Union of Workers (New South Wales Branch), and shall apply to all existing and future award employees at these sites.

5. Date, Period and Review of Operation

This Agreement shall operate from the beginning of the first pay period to commence from 1st October 2003 and shall remain in force until 30 September 2005.

The parties agree to commence negotiations for a new collective agreement to succeed this agreement at least 2 months before the nominal expiry date of this agreement. The parties intend to conclude these negotiations prior to the nominal expiry date.

Should negotiations for a new agreement not be finalised prior to the nominal expiry date of this agreement, the conditions of this agreement in full shall continue to be observed until those negotiations are completed.

6. Relationship to Parent Award

This Agreement shall be read and interpreted wholly in conjunction with the Storemen and Packers General (State) Award (the parent award).

Provided that where there is any inconsistency between the Agreement and the Award, this Agreement shall take precedence to the extent of the inconsistency.

7. Spread of Hours

The ordinary hours of work Monday to Friday shall be worked, except for meal breaks, at the discretion of the Company as follows:

6.00 am to 6.00 pm

8. Rates of Pay

These rates of pay reflect those following the introduction of the new skills-based classification structure introduced as per the terms and conditions contained within clause 26 of the Bonds Industries Ltd (MINTO) Agreement 1993.

Any person appointed to a permanent position who has been working in that position as a casual employee for less than 3 months, or is a new employee to the company, shall be required to remain at the Grade 1 level for a period of not less than six (6) months.

8.1 Rates of Pay

Storeperson		Existing Award Rate	Existing Bonds Rate1	1.10.03	1.10.04
Permanent	1	\$ 487.70	\$ 592.90	\$ 622.55	\$ 653.68
Casual (p.h.)	1	\$ 15.99	\$ 19.24	\$ 20.20	\$ 21.21
Permanent	2	\$ 502.70	\$ 602.00	\$ 632.10	\$ 663.71
Permanent	3	\$ 508.50	\$ 618.70	\$ 649.64	\$ 682.12
Permanent	4	\$ 527.30	\$ 642.50	\$ 674.63	\$ 708.36
Permanent	5	\$ 542.20	\$ 677.20	\$ 711.06	\$ 746.61

The proposed rates of pay contained in this clause represent an increase on the existing rate of 5% effective from the first full pay period commencing on or after 1st October 2003 and a further 5% effective from the first pay period commencing on or after 1st October 2004.

These rates of pay take effect on the date of registration and will be paid from 1st October 2003. Employees covered by this Agreement as at the date of registration will be paid the rate of pay in accordance with Clause 8.1 on and from 1 October 2003 or from their date of employment, whichever is the later.

9. Payment of Wages

Payment of wages will be on a weekly basis by direct payment into an account nominated by the employee.

10. Deduction of Union Fees

The employer will deduct National Union of Workers membership fees from such employees' wages and salaries where written authority is provided for it to do so. Such Union memberships fees will be remitted with a schedule of such contributions to the Union at monthly intervals.

11. Trade Union Training/Meeting Leave

Two union delegates or elected workplace representatives will be granted up to five days leave with pay each calendar year, non cumulative, to attend courses conducted by the NUW, which are designed to promote good industrial relations and industrial efficiency within the industry.

The application to the employer must be in writing at least 14 days prior to the training program and include the nature, content, and duration of the course to be attended.

Each employee on trade union training leave shall be paid all ordinary time agreement earnings, which means the classification rate, superannuation and shift loading which otherwise would have been payable. Leave of absence granted pursuant to this clause shall count as service for all purposes of this agreement.

12. Meal and Tea Breaks

As per Storemen and Packers General (State) Award.

13. Casual Employment

A casual employee is one engaged and paid as such. A casual employee for working agreed time shall be paid 1/38th of the permanent rate of pay prescribed plus a loading of 15%. In addition, a further 1/12 of the ordinary rate of pay shall be paid in accordance with the *Annual Holidays Act 1944*.

A casual employee shall be paid ordinary time rate for up to 7.6 hours per day. A casual employee at the time of offer of casual work will be provided with a commencing time and a finishing time. The Minto Distribution Centre and ancillary warehouse operates on a job completion basis. Acceptance of casual employment is on the basis that the work which has been planned for that day is to be completed prior to completing the shift.

All casual employees are required to continue to commence jobs up until the completion of their shift. It is anticipated that, except in exceptional circumstances, this will not occur on a regular basis and, as a general rule, should not exceed one (1) hour in duration from the finishing time advised.

After a casual employee has worked up to 7.6 hours per day these provisions do not apply in the event that overtime is offered, although there is a general expectation, as per the terms and conditions of the parent award, that reasonable amounts of overtime will be worked.

14. Induction

The parties agree to continue the development and implementation of an induction program for all new employees at our warehouse sites.

Through the induction process all new employees will be notified of the contents of Clause 10, and will be afforded the opportunity to meet the appropriate site delegate.

15. Annual Leave

Annual leave arrangements shall be taken to minimise disruption and to manage productivity consistently throughout the year.

The terms and conditions as prescribed in Clause 27 of the Storemen & Packers General (State) Award, will be applicable.

With prior approval of the Company, an employee may take annual leave in separate periods subject to the provisions of the *Annual Holidays Act 1944*.

Under normal circumstances the site will operate 52 weeks per year and the Company's approval of annual leave will have regard for the effective operation of the Warehouse at all times. Annual leave will not be taken in busy periods in normal circumstances. However, leave may be taken by mutual agreement between the employee and the Distribution Manager taking into account individual circumstances.

16. Sick Leave/Family Leave

The sick leave provisions contained in Clause 26 of the Storemen and Packers General (State) Award shall apply.

16.1 Use of Sick Leave

An employee with responsibilities in relation to a class of person set out in 16.1(ii) who needs their care and support shall be entitled to use, in accordance with this subclause, any sick leave entitlement which accrues after the certification of this Enterprise Agreement for absences to provide care and support for such persons when they are ill.

The employee shall, if required, establish by production of a medical certificate or statutory declaration, the illness of the person concerned.

The entitlement to use sick leave in accordance with this subclause is subject to:

- (i) the employee being responsible for the care and support of the person concerned; and
- (ii) the person concerned being:
 - (a) a spouse of the employee; or
 - (b) a de facto spouse, who, in relation to a person, is a person of the opposite sex to the first mentioned person who lives with the first mentioned person as the husband or wife of that person on a bona fide domestic basis although not legally married to that person; or
 - (c) a child or an adult child (including an adopted child, a step child, a foster child or an ex-nuptial child), parent (including a foster parent and legal guardian), grandparent, grandchild or sibling of the employee or spouse or de facto spouse of the employee; or
 - (d) a same sex partner who lives with the employee as the de facto partner of that employee on a bona fide domestic basis; or
 - (e) a relative of the employee who is a member of the same household, where for the purposes of this paragraph:
 - (1) "relative" means a person related by blood, marriage or affinity;
 - (2) "affinity" means a relationship that one spouse because of marriage has to blood relatives of the other; and
 - (3) "household" means a family group living in the same domestic dwelling.

An employee shall, wherever practicable, give the company notice prior to the absence of the intention to take leave, the name of the person requiring care and their relationship to the employee, the reasons for taking such leave and the estimated length of absence. If it is not practicable for the employee to give prior notice of absence, the employee shall notify the company by telephone of such absence at the first opportunity on the day of absence.

16.2 Unpaid Leave for Family Purpose

An employee may elect, with the consent of the company to take unpaid leave for the purpose of providing care and support to a class of person set out above in 16.1(ii).

16.3 Annual Leave

To give effect to this clause, an employee may elect, with the consent of the company, to take annual leave not exceeding five days in any calendar year at a time or times agreed by the parties.

Access to annual leave, as prescribed above, shall be exclusive of any shutdown period provided for elsewhere under this Agreement.

16.4 Make-up Time

An employee may elect, with the consent of the company, to work "make-up time", under which the employee takes time off ordinary hours, and works those hours at a later time, during the spread of ordinary hours provided in the agreement, at the ordinary rate of pay.

16.5 Grievance Process

In the event of any dispute arising in connection with any part of this clause, such dispute shall be processed in accordance with the dispute settling provisions of this Agreement.

17. Payout of Unused Sick Leave

17.1 Under the provisions of this clause payout of unused sick leave will only be eligible on the anniversary date of the employee after the commencement of this agreement (ie. after 1st October 2003).

17.2 The terms and conditions of this clause apply only to sick leave accrued during the life of this agreement.

17.3 Subject to the above, after a twelve month period has elapsed any sick leave from the current years annual accrual, which remains untaken, can be elected by the employee concerned to be paid out in the first available pay period in December of that year during which the entitlement becomes payable. Up to a maximum of ten days only can be paid out.

17.4 All sick leave taken in any year is debited from that years credits prior to any calculation for payout. An example is provided below. All other sick leave entitlements which have been accrued prior to the operational effectiveness of this clause are preserved and are available to be used as necessary but will not be paid out under the terms and conditions of this clause (which is not retrospective).

eg. an employee's anniversary date is the 1st November 2003. An employee becomes entitled to a further ten days sick leave (under terms and conditions consistent with the parent award) at that date. The employee already has accrued from previous accruals ten days in credit. Over the twelve month period the employee in question takes a total of five days sick leave. That employee on the anniversary date (ie. 1st November 2004) is eligible to be paid out a maximum of five days sick leave in the first available pay period in December of that year). (Please note that the previous accrued ten days is still available to the employee if required for sick leave purposes but not for payment).

17.5 As soon as practicable, after an anniversary date, an employee shall inform the management whether they wish to accrue their sick leave or receive a payout under the terms and conditions outlined above. Once a decision has been made that decision becomes final and cannot be amended.

18. Workers Compensation

Where an employee is incapacitated as a result of an injury arising out of or in the course of his/her employment and is entitled to weekly benefits within the terms of the *Workers Compensation Act 1987*, weekly benefits will be paid in accordance with the Act at the rate per week which the worker was being remunerated at the time of injury and calculated by reference to the roster of work for each employee. All employees will be subject to the Company's Rehabilitation Policy established in accordance with the Company's obligations under the Act.

19. Behaviour Code

It is a condition of employment that while employees are at work they shall behave in a fair, safe and honest manner and the Company shall do likewise.

The following behaviours constitute gross misconduct and as such may result in summary dismissal:

- fighting,
- theft,
- removing Company property without approval,
- wilfully damaging Company property,
- abuse of management or employees,
- harassment, bullying,
- contravening Company safety standards

20. Visitor Safety

The parties agree that visitor safety requirements will be observed by visitors including Union Officials and employees.

21. Avoidance of Industrial Disputes

It is agreed that in order to avoid industrial action in relation to any particular dispute, the parties to the dispute will ensure that the following procedure is followed responsibly and expeditiously.

- 21.1 All matters in dispute between the Company and any employees shall first be referred to the Leading Hand in the area in which the dispute arises. This will be done by the employee. In order to resolve the dispute, the Leading Hand may need to consult with other levels of line management responsible for that area.
- 21.2 In the event of failure to resolve the dispute, the employee shall refer the dispute to the Warehouse Manager. This can be done by the employee or by the employee's representative.
- 21.3 If the matter is unresolved at this stage it shall be referred to the Distribution Manager who may request the involvement of the Human Resources Manager, and the Union Delegate may request the involvement of the Union Organiser.
- 21.4 If the matter is still unresolved it shall be referred to a nominated Company representative and the Union State Secretary. If no negotiated settlement can be achieved and the process is exhausted without the dispute being resolved, the parties may jointly or individually refer the matter to the NSW Industrial Relations Commission for assistance in resolving the dispute. At any meeting convened by the Commission the parties will use their best endeavours to resolve the matter by conciliation.
- 21.5 The time taken for all the procedural steps up to 21.4 should be completed within three working days.

- 21.6 Without prejudice to either party whilst these procedural steps are being followed, work should continue normally and the status quo shall remain. Status quo shall mean the situation existing immediately prior to the dispute or the matter giving rise to the dispute.
- 21.7 At any time either party shall have the right to notify the dispute to the relevant Industrial Registrar.
- 21.8 Any action of the parties to this Agreement taken outside the bounds of this procedure shall not be taken without consultation with all Minto employees or their representative.

22. Occupational Health and Safety

The parties agree to adhere to OH&S objectives set by the Site Safety Committee to minimise losses suffered by both employees and the Company.

All employees will actively ensure that safe working practices are complied with at all times. Employees are empowered to ensure that any person within the work environment can be requested to comply with a reasonable request in relation to an Occupational Health and Safety site matter. Failure to do so will result in the employee notifying a representative of the site Safety Committee for further action.

23. Continuous Improvement

The Employees and Management will continue to develop and establish measures and methods of work in order to meet customer expectations as well as enhance the flexibility and productivity of the warehouse.

Where the Company has made a definite decision to introduce major changes beyond the scope of the terms and conditions of this agreement, the company shall notify the employees and the Union who may be affected by the proposed changes.

24. Smoke Free Workplace

The parties agree to the establishment and maintenance of Bonds Warehouses as smoke free workplaces.

Smoking shall not be permitted within the buildings at any time.

25. Leave Reserved

Through the normal processes of consultation, which includes regular meetings of the Consultative Committee, the following issues will be discussed and a resolution found during the life of this agreement:-

The introduction of an Employee Bonus system based on clearly defined and meaningful productivity measures. This will apply to employees of Bonds based at the Minto site and ancillary warehouses only.

Permanent part-time arrangements.

Flexible working arrangements

Redundancy entitlements for Bonds casuals with more than five years service.

26. No Extra Claims

It is agreed by the parties that this agreement is in settlement of all claims in respect of terms and conditions of employment for employees covered by this agreement, and the parties undertake for the duration of the agreement that they will not pursue any further claims in relation to the terms and conditions of employment of persons bound by this agreement.

27. Income Protection Insurance

The Company commits to paying a maximum of 1% of the wages of employees covered by this agreement to the Income Protection Insurance. In the case that the premium goes above this level the difference will be funded by the employee.

28. Transmission of Business

Where a business is before, on, or after the date of this agreement, transmitted from an employer (in this clause called the transmitter) to another employer (in the clause called the transferee) and an employee who at the time of such transmission was an employee of the transmitter in that business becomes an employee of the transferee:

the continuity of the employment of the employee shall be deemed not to have been broken by reasons of such transmission; and

the period of employment which the employee has had with the transmitter or any prior transmitter shall be deemed to be service of the employee with the transferee.

In this clause business includes trade, process, business or occupation and includes part of any such business and transmission includes transfer, conveyance, assignment or succession whether by agreement or by operation of law and transmitted has a corresponding meaning.

29. Superannuation

For employees covered by this agreement "FUND" refers to:

Labour Unity Cooperative Retirement Fund (LUCRF)

Pacific Brands Superannuation Plan and any successor fund that may supersede it in the future.

At the time of joining the Company employees will advise the Company of their choice.

Employees have the option to change fund if they so elect. This can only be done once in any financial year.

30. Redundancy

See Appendix I

Signed for and on behalf of:

BONDS INDUSTRIES LTD

Sue Morphet
GROUP GENERALMANAGER

8 / 1 / 04

Date

NATIONAL UNION OF WORKERS

STATE SECRETARY

7 / 1 / 04

Date

APPENDIX I

REDUNDANCY AGREEMENT

The provisions of this agreement will apply where the company terminates the employment of an employee because the company no longer requires the job, which the employee has been doing, done by anybody, with the exception of:

termination of employment arising from the ordinary and customary turnover of labour; and
transmission of business or part of a business.

This redundancy agreement applies to employees covered under the Pacific Brands - Minto Distribution Centre and ancillary warehouses Agreement 2003 except for:

Casual or limited tenure employees;
Probationary employees.

This redundancy agreement shall not apply where an employee's employment is terminated due to:

Resignation;
Dismissal due to conduct, capacity or performance;
Abandonment of employment;
Expiration of a fixed term contract, or completion of a specified project(s) or tasks;
Death;
Ill health.

DEFINITION OF "WEEK'S PAY"

Severance pay shall be calculated on the basis of "ordinary time earnings". For the purposes of this agreement, "ordinary time earnings" means an employee's award classification rate, any over-award payment, and leading hand allowance (or relevant regular allowances- if any). Shift allowances, weekend penalties, overtime penalties and all other allowances and payments are excluded

1. A minimum of six weeks notice of redundancy will be given by the company to the affected employees on announcement of a closure of a warehouse or section.

A minimum of four weeks notice will be given to employees under all other circumstances of retrenchment.
2. One week ex gratia payment.
3. Three weeks severance pay for each completed year of service.
4. Payment of all untaken Sick Leave .
5. Pro-rata Long Service payment after three years.
6. 17½% loading on pro rata Annual Leave.
7. Full superannuation benefits will be paid out on the basis of all employees and all employer contributions and interest thereon, subject to the Trust Deeds of the Funds.

8. An age allowance of 25% in addition to Items 2. and 3. for employees over forty-five (45) years of age.
9. Any employee may leave during the period of notice without loss of the above redundancy provisions. Redundancy provisions will only apply after the giving of notice to individual employees.
10. Those employees who are placed in alternative employment, if during the first three months of placement the alternative employment is not acceptable to the employee, or the employee is not acceptable to the employer, all provisions of this agreement will apply.

Neither this agreement nor any part thereof shall be used by any party to this agreement as evidence or example before any court or tribunal in respect of claims, demands or proceedings by or against any other establishment of Bonds Industries or any subsidiary or associated companies or other employers or trade unions.