

ENTERPRISE AGREEMENT

NO. EA 98/120.....

DATE REGISTERED 13.3.98.....

PRICE \$ 34.....

REGISTER OF
ENTERPRISE AGREEMENTS

ENTERPRISE AGREEMENT NO: EA98/120

TITLE: Advantage Petroleum Transport Agreement 1997

I.R.C. NO: 98/794

DATE APPROVED/COMMENCEMENT: 13 March 1998

TERM: 12 months

NEW AGREEMENT OR
VARIATION: New

GAZETTAL REFERENCE:

DATE TERMINATED:

NUMBER OF PAGES: 17

COVERAGE/DESCRIPTION OF

EMPLOYEES: Employees engaged under the Transport Industry - Petroleum, &c.,
Distribution (State) Award

PARTIES: Advantage Petroleum Pty Limited -&- Transport Workers' Union of Australia, New
South Wales Branch



Without Prejudice

THIS AGREEMENT SHALL BE KNOWN AS THE
ADVANTAGE PETROLEUM TRANSPORT AGREEMENT 1997

ARRANGEMENT

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1. DEFINITIONS

"Advantage" shall mean Advantage Petroleum Pty Limited.

"The Union" shall mean the Transport Workers' Union of Australia (NSW Branch).

"The Award" shall mean Transport Industry - Petroleum & c., Distribution (State) Award.

"The Agreement" shall mean this agreement - The Advantage Petroleum Transport Agreement 1997.

"The Commission" shall mean the Industrial Relations Commission of New South Wales.

"DDS" Depot Despatch Supervisor.



2. SCOPE, APPLICATIONS AND OPERATION

(1) Parties Upon Whom This Agreement is Binding

This Agreement shall be binding upon:-

- (a) Advantage;
- (b) the Union, its Officers and its members; and
- (c) Advantage's employees, whether members of the Union or not; and who are engaged in any of the classes of work mentioned in Clause 4 (Schedule C) Wage Rates of the Award and shall apply in the State of New South Wales.

(2) Previous Award/Agreement Superseded

- (a) This agreement supersedes the Transport Industry - Petroleum & c., Distribution (State) Award and shall take preference to any provision in the Award dealing with any particular condition, benefit or policy where this Agreement is at variance with the Award.
- (b) Where no reference is made in this Agreement, to a particular condition, benefit or policy, the Award shall be deemed to operate.

(3) Commencement of Agreement

This Agreement will Commence from the beginning of the first pay period on or after ratification by the Commission, and shall remain in force for a term of one (1) year ("the Term").

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- (4) This Agreement covers the delivery of fuels, heating oil, bulk lubricants and lubricant pack products during the Term by Advantage employees employed as drivers.

3. PRINCIPLES AND OBJECTIVES

The Principles upon which the terms of this Agreement are proposed are:

- The parties to this agreement recognise that it is critical to ~~make use of all~~ opportunities to improve business performance. In doing so, benefits will result for all parties - the employees of Advantage, the customers of Advantage, the community in which Advantage operates and Advantage itself. This includes maximising capital assets such as vehicles and facilities through extending shifts and flexible starting times. In principle this is 24 hours per day and six days a week.
- The parties recognise that Advantage operates in a fiercely competitive market in which it is essential that innovation is encouraged and currently untapped business opportunities are developed.
- Safety of operations and customer service are paramount.
- In this environment, improved productivity and continuous development of the skills of Advantage employees are essential and demand that change be made rapidly, constructively and in an on-going sense.

Mutual objectives of the parties are to provide a working environment which is aimed at:

- i) elimination of inefficiency;
- ii) provision of consistency and quality of the business operation; and
- iii) the attainment of improvement through co-operative discussions and initiative.

It is recognised by the parties that fundamental to the security of Advantage's future and success in the market place is the quality of the relationship between Advantage and its employees, at all levels.

4. GENERAL

The classification structure and wage rates provided in this Agreement are based on improvements in the value of work performed by Drivers and recognise the additional skills and responsibilities involved in the performance of their duties. The parties acknowledge that there shall be different outcomes within and between classifications depending on efficiencies, productivity and work value.

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Advantage undertakes to notify its employees, as early as practicable, of proposals to introduce changes to methods or resources, which will affect the way in which work is performed or organised in the enterprise. The notice will include information on the nature of the changes proposed, the likely date of the implementation of the changes, the expected effects on employees and any other matters likely to significantly affect employees.

Advantage affirms its commitment to manage change through the long-standing "Consultative Process" agreed between Advantage, affected employees and the Union.

The new rates of pay provided in this Agreement include the acquisition of all new work, technology and new practices.

The terms of Agreement in this document should be read in conjunction with individual letter of offer of employment (Appendix A) and the position description (Appendix B). This includes subsequent variations.



5.1 DRIVER CLASSIFICATION

For the purposes of this Agreement driver positions and wage rates will be classified in the following way:

1. **Classification 1**
Those drivers who drive a tri-axle trailer, regardless of total tonnage or litreage.
2. **Classification 2**
Those drivers who drive any vehicle smaller than a tri-axle trailer, regardless of total tonnage or litreage.

Drivers paid at the Classification 2 Rate will be paid the Classification 1 for those days or part thereof that they drive a tri-axle vehicle.

5.2 PROGRESSION THROUGH THE CLASSIFICATION AND COMPANY STRUCTURE

Consistent with company policy appointment to any position, including management, will be on merit. The parties agree to the establishment of standards of performance (including Key Performance Indicators (KPIs)) at the individual location. The KPI's will be set by the Advantage Management, and in consultation with driver representative/s in relation to general distribution operations to achieve available efficiency gains. These should be open and realistic.

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5.3 JOB SECURITY

Advantage recognises the Union's concern relating to job security and the desire to preserve job opportunities in the Industry.

5.4 TRAINING

In order to facilitate the commitment of employees to work in the most flexible manner without artificial constraint, Advantage reaffirms its policy to provide training for all Drivers having regard to the specific requirement of particular work functions and the nature and characteristics of the Oil Industry. This training shall be consistent with the skill and competency requirements and the operation needs and the needs of the individual.

6.1 SHIFT AND HOURS WORKED

In order to maximise fleet utilisation, managers and drivers will endeavour to structure rosters in order to satisfy company requirements for fleet utilisation and individual driver needs.

In general, the parties accept the following:

- (i) A day will not be less than 7 hours for full-time drivers or 4 hours for casual drivers. Call-Backs will be for a minimum of 4 hours.
- (ii) A fortnight will not be less than 70 hours.
- (iii) Subject to discussion and agreement at each location, rosters or shifts shall require the establishment of a minimum number of shifts/days work in any one week.
- (iv) No driver will be permitted to work more than the legal limit.
- (v) Non-rostered work will be paid at the appropriate rate. That is:
Normal rate for the first 35 hours per week.
Penalty 1 for all hours over 35 per week.
- (vi) A six day roster where appropriate.
- (vii) Penalty explanation reports are to be completed, approved and signed by the DDS.



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The following roster variations are examples of what may apply:-

- (a) 4 Day Week Roster - based on rosters which may equate to an average of 4 x 10 hours shifts or it may involve a 3 day week. However, shifts may vary between 7 and 12 hours and includes work started or performed at any time. It also applies to work performed on a Saturday.
- (b) 5 Day Week Roster - based on rosters, which may equate to an average of 5 x 7 hours shifts. However, shifts may vary between 7 and 12 hours and include work performed on a Saturday.
- (c) Salaried positions may be negotiated at the discretion of Advantage.



6.2 PAY RATES

Hourly pay rates are inclusive of all allowances. This includes, but is not limited to - meal allowance, hose allowance, tarmac allowance or trailer allowance. The first 35 hours worked within the period of Monday through to Saturday inclusive to be paid at the common hourly rate. Penalty rates apply thereafter. Payments will be on a fortnightly basis.

Classification 1	Base Rate	-	\$17.54 Award
	Common Hourly Rate	-	\$21.00
	Penalty 1	-	\$25.00
	Penalty 2	-	\$35.00
Classification 2	Base Rate	-	\$16.55 Award
	Common Hourly Rate	-	\$19.35
	Penalty 1	-	\$23.00
	Penalty 2	-	\$35.00

Casual Drivers - Will be remunerated at the appropriate Vehicle Classification Base Rate, plus a loading of 20% to cover annual, sick, maternity and parental leave.

6.3 SUNDAYS

Sundays worked will be remunerated at Penalty 2 rates for each hour worked.

6.4 PUBLIC HOLIDAYS

Will default to the Award.

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6.5 ANNUAL & SICK LEAVE

Annual Leave is defined as 140 hours per year.
Annual Leave Loading and Sick Leave will be as per the Award.



7. MINOR MAINTENANCE & ADMINISTRATION

Drivers shall carry out minor maintenance and basic administrative functions associated with the safe operation of their vehicle.

A process of daily/weekly checks will be completed by the driver in accordance with the requirement of the location.

The drivers agree to maintain the Delivery Vehicles in a clean and tidy condition and to wash the Delivery Vehicles at least once a week at the Advantage Depot - in the designated wash down area. Advantage will provide the washing facilities.

An Advantage Checklist and Vehicle Records Booklet will be supplied with each Delivery Vehicle and the Drivers shall use the forms as a record of any deficiency with the vehicles.

Any maintenance shall only be carried out by personnel authorised by Advantage.

Drivers are to be responsible to ensure that the Delivery Vehicle is maintained in a roadworthy condition.

8. CASUAL EMPLOYMENT

- i) Individual who are offered casual employment contracts shall be deemed to be casually employed and may be terminated at any time.
- ii) A casual employee shall be paid per hour at the base rate per Clause 6.2 of this agreement.
- iii) It is understood and accepted that the casual hourly rate incorporates a value for annual leave and sick leave.

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9. DISPUTE & GRIEVANCES PROCEDURE

(i) Industrial Disputes:

In the event of a question, dispute or difficulty arising at a branch:

- (a) The matter shall first be raised with the Branch Supervisor and agreement sought.
- (b) If the dispute is not resolved at this level, the matter may be discussed between the Union delegate and the Branch Manager.
- (c) Should the dispute remain unresolved, the matter may be referred to an Official of the Union, who shall discuss it with senior management.
- (d) In the event of no agreement being reached at this stage, the dispute will be referred to the Industrial Relations Commission of New South Wales.
- (e) Reasonable time limits will be allowed for discussion at each level of authority.
- (f) While the procedure is being followed, normal work will continue.



(ii) Individual Grievances:

- (a) The employee is required to notify (in writing or otherwise) the employer as to the substance of the grievance, request a meeting with the employer for bilateral discussions and state the remedy sought.
- (b) A grievance must initially be dealt with as close to its source as possible, with graduated steps for further discussion and resolution at higher levels of authority.
- (c) Reasonable time limits must be allowed for discussion at each level of authority.
- (d) At the conclusion of the discussion, the employer must provide a response to the employee's grievance, if the matter has not been resolved, including reasons for not implementing any proposed remedy.
- (e) While a procedure is being followed, normal work must continue.
- (f) The employee may be represented by the Union.

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10. SUPERANNUATION FUND

The parties agree that the employer fulfil the obligations for Superannuation contributions through membership of an appropriate complying fund, TWU Superannuation Fund or APADA.

11. SETTLEMENT TERMS

11.1 Terms of Agreement and No Extra Claims

Subject to endorsement by the Industrial Relations Commission of NSW, the terms and conditions of this Agreement shall remain in force for a term of one (1) year as provided by Clause 2.3 (a) herein.

Further, it is a term of this Agreement that the Union undertakes not to pursue any extra claims, awards or over awards, excepting where consistent with the National Wage Case Principles. For these purposes the Safety Net increases available under the current National Wage Case Decision and any future decision during the terms of this Agreement have been comprehended in the schedule of rates provided in Attachment 1. In this regard there shall be no double counting.

11.2 Operative Date

In this Agreement, classification and wages shall be implemented from the date of certification by the Commission.

11.3 Future Negotiations

This Agreement shall be subject to future negotiations between the employees, TWU and Advantage.

The provisions of this Agreement shall prevail over the prescribed terms and conditions of the Award, and in this regard, the Union shall not unreasonably withhold its consent in supporting structural change and flexibility at the enterprise level.

In this regard the parties accept the potential for individual differences including varied classification and remuneration systems based on the principles provided in Clauses 5.1., 5.2 and 6.

Three months prior to the expiry of this Agreement the parties agree to begin negotiations for a subsequent agreement. Any of the provisions provided herein should be without prejudice to any subsequent terms of a new agreement. In this regard the parties reserve the right to re-negotiate all the terms and conditions provided for in this Agreement without prejudice to any potential outcome.



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12. PAYROLL DEDUCTIONS

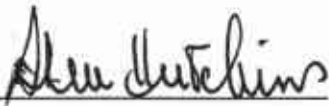
Advantage will make the necessary provisions available to all TWU members to make Union subscriptions by way of payroll deductions.

13. DURESS

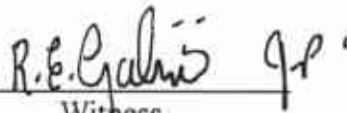
This Agreement was not entered into under duress by any party to it.



SIGNED for and on behalf of the
Transport Workers' Union of Australia
(NSW Branch)



S.P. Hutchins
Secretary/Treasurer.


Witness



Vlado Mamic
Distribution Co-Ordinator.


Witness

(APPENDIX (A))

ADVANTAGE
PETROLEUM PTY. LIMITED

PRIVATE & CONFIDENTIAL



Dear -----,

RE: Offer of Employment with Advantage Petroleum Pty Limited

We would like to formally offer you the position of **Driver** at -----
. This letter is to set out the terms and conditions of the offer and to have you acknowledge your acceptance of them.

Our company is an equal opportunity employer and takes very seriously its obligations under the Occupational Health & Safety Act, the Equal Opportunity Act and the Industrial Relations Act. Enclosed with this letter of offer is an Occupational Health & Safety Questionnaire, which must be returned with the duplicate (signed) letter of offer.

Your key responsibility in this role is to complete the physical distribution of products, by loading, delivering and unloading, complying with all HS&E and Due Diligence requirements. The principle accountabilities are outlined in the attached Position Description.

Work Rules

Various rules exist for the effective and safe operation of the enterprises' business and the welfare and interests of those who work for it. Team members are subject to particular rules of which they are informed or are aware and are expected to comply with those rules. From time to time management will exercise the company's right to change existing rules, or to introduce new ones, which you will be required to observe. Information about particular rules will normally be provided in circulars to you, on notice boards and otherwise brought to the attention of you that are required to be observed.

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Package

You will be paid \$----- per normal hour worked/ per week. This is based on the appropriate award rate.

The Company will contribute the statutory amount (currently 6%) to an appropriate superannuation scheme on your behalf. You will be free to nominate any further contributions, which you would like to make.

Terms and Conditions

Conditions and other applicable provisions are provided for within the Transport Industry - Petroleum & c., Distribution (State) Award.

It is understood and accepted that the casual hourly rates of pay incorporates a value for annual leave, sick leave and public holidays. (*delete if full time*)

Advantage Petroleum Pty Limited has a specific set of values to enhance its integrity and professionalism. These are contained in the Code of Conduct/Induction Handbook. You will be required to acknowledge your understanding and acceptance of this Code of Conduct.



Probationary Period

As explained to you during the interview process, you will be engaged initially for a probationary period of **six weeks**. During this period you will be trained to the required Distributor Marketing System (DMS) standard. Should you not attain the standard after receiving sufficient retraining you will not be employed beyond your probationary period. We will make every reasonable attempt to assist you to achieve the required standard.

Should the appraisal of your performance be deemed to be unsatisfactory during the probationary period, your employment will cease.

Performance Appraisal

In relation to the performance of your duties you will be required to participate in any appraisal scheme operated within the company for team members at your grade or level, subject to any amendments or modifications to the scheme as may from time to time be made. For this purpose participation means being involved in the scheme as an appraisee, an appraiser, or both.

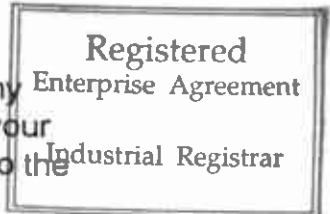
Training

In order to assist you to perform to the level we require, you will receive specific and systematic training to develop the necessary skills and competencies appropriate for your job. Most of this training will be on the job, but some of this training will be off site and involve formal course work.

Fidelity

The contractual relationship between the company and its team members is founded on trust. Any breach of this trust by a team member, such as the unauthorised disclosure to a third party of confidential information about matters connected with the business, will render a team member liable to disciplinary action, and/or to civil proceedings to restrain the team member from disclosing the information to a third party, or from making personal use of it without authority from a senior manager, or for damages if loss to the company results from an unauthorised disclosure.

All confidential records, documents and other papers together with any copies or extracts thereof, made or acquired by you in the course of your employment stay the property of the company and must be returned to the company on termination of your employment.



As part of the transmittal of business from your current employer to Advantage Petroleum all business files and information are to be made available to Advantage Petroleum. This includes individual personnel files.

Covenant

For a period of five years from the date of termination of this contract of employment, you shall be restricted, without written authority signed by a director of this company, from disclosing or making use of any information in your knowledge or possession relating to this company's secret processes of research, development, manufacture or design, or any other information of a sufficiently high degree of confidentiality to amount to a trade secret.

Grievance Procedure

Our policy is to resolve grievances through consultation and should you at any time need to discuss any matter you are encouraged to contact your line supervisor or me.

Superannuation

Advantage Petroleum will contribute the compulsory superannuation to the fund you have nominated. However if you wish to make a voluntary contribution you will need to address a letter to Advantage Petroleum providing details and authorising the deduction. This should be included with your employment forms.

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Termination

You or the Company may terminate your employment by providing the necessary notice to the other party.

Where unsatisfactory performance is identified, counselling and re-training is offered. Your employment may be terminated for continued unsatisfactory performance.

Your employment will be terminated summarily for any act of gross misconduct or a breach of the company's Code of Conduct.



Commencement

Your employment will commence on _____ at _____

You should report to _____ at ____am/pm.

Acceptance

We have set out in this letter the terms and conditions of your employment with Advantage Petroleum Pty Limited. If you accept all of the terms and conditions contained in this letter, please sign the attached copy of the Letter of Offer. We would also ask you to complete and sign the attached Employment form, Taxation Declaration and OH & S Questionnaire and forward to the above postal address.

Complete the enclosed Driver Declaration and provide a copy of any relevant licenses.(Drivers License, Dangerous Goods.)

Additionally please read the accompanying Induction Handbook and sign the Induction Record to acknowledge your acceptance and return with the above forms.

We would like to welcome you to our team and we hope that you are able to develop a challenging, interesting and satisfying career with us.

Yours sincerely

Gil Downes
Distributor Marketer

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I ACCEPT THE TERMS AND CONDITIONS SET OUT IN THIS LETTER.

SIGNATURE _____

DATE



(APPENDIX (B))

POSITION DESCRIPTION

Position Title
Driver

Location

Based at various depots.

Reports To

Depot & Despatch Supervisor

Purpose

Complete the physical distribution of products, by loading, delivering and unloading while complying with all HS & E and Due Diligence requirements.



Principle Accountabilities

- Load bulk product from the gantry and load packed product in a safe manner.
- Ensure loading instructions are in accordance with requirements for switch and composite loading and compatible with the vehicle's maximum ullage per compartment.
- Deliver bulk product and lubricants from the storage point to delivery point safely and in accordance with guidelines.
- Follow site delivery instructions.
- Provide excellent customer service by identifying and satisfying customer needs.
- Advise the Distribution Co-Ordinator of any vehicle maintenance/servicing requirements or vehicle breakdowns.
- Conduct post maintenance checks of vehicles prior to first delivery.
- Follow the Due Diligence process.
- Follow the Incident/Accident reporting process.

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- Gather market intelligence and communicate this to the marketers.
- Report customer equipment maintenance requirement.

