

ENTERPRISE AGREEMENT

NO. EA 98/172
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DATE REGISTERED 22-5-98
.....

PRICE \$ 42-00
.....

**REGISTER OF
ENTERPRISE AGREEMENTS**

Registered
Enterprise Agreement
Industrial Registrar

ENTERPRISE AGREEMENT NO: EA98/172

TITLE: Discount Freight Express Sydney Branch Enterprise Bargain Agreement 1998

I.R.C. NO: 98/2242

DATE APPROVED/COMMENCEMENT: 22 May 1998 and commenced 10 September 1997

TERM: Expires 30 June 1999

**NEW AGREEMENT OR
VARIATION: New. Replaces EA 95/7.**

GAZETTAL REFERENCE:

DATE TERMINATED:

NUMBER OF PAGES: 21

COVERAGE/DESCRIPTION OF

EMPLOYEES: Applies to employees of Multigroup Distribution Services trading as Discount Freight Express within the occupations of drivers, leading hands and freight handlers.

PARTIES: Multigroup Distribution Services Pty Ltd -&- Transport Workers' Union of Australia, New South Wales Branch

Registered
Enterprise Agreement
Industrial Registrar

1.0 Title

DISCOUNT FREIGHT EXPRESS

SYDNEY BRANCH



saving Australia

**ENTERPRISE BARGAIN
AGREEMENT**

10th Sept 1997 - 30th June 1999

2.0 ARRANGEMENTSRegistered
Enterprise Agreement

Industrial Registrar

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MULTIGROUP DISTRIBUTION SERVICES PTY LTD

ENTERPRISE BARGAIN AGREEMENT



3.0 PREAMBLE

Multigroup Distribution Services Pty Ltd, trading as Discount Freight Express, is Australia's largest independent express transport company, providing a range of services in an extremely competitive environment. It is imperative to the company's very survival that all employees embrace new technology and recognise that changes to work methods and practices are essential.

The company clearly recognises that only by working together with all of the individuals in the organisation can it achieve its objective of being the best express transport company in Australia.

This agreement provides for improved productivity and greater flexibility in employment practices to provide the funding for the wage increases to all employees included in clause 5.00. It is noted and accepted that failure to adhere to any requirement in this agreement by either party may result in termination of the agreement. It is recognised that this is not the desire of the company, its employees or the union, and it is therefore essential for our continued success that this agreement is adhered to.

4.0 PARTIES TO THE AGREEMENT

4.1 The parties to this agreement are as follows:-

4.2 Multigroup Distribution Services Pty Ltd, trading as Discount Freight Express, of 53 Britton Street, Smithfield, NSW, with respect to its enterprises carried on, and from, the following addresses ("The Employer"):-

- 53 Britton Street, Smithfield, NSW, 2164
- 429 Victoria Street, Wetherill Park, NSW, 2164
- Unit 4, 29-33 Bourke Road, Alexandria, NSW, 2015

and in respect of the employees of Multigroup Distribution Services Pty Ltd within the following occupations; drivers, leading hands and freight handlers, specified in Transport Industry (State) Award as Transport Workers ("The Employees").

4.3 Transport Workers Union of Australia (New South Wales Branch) ("The Union").

5.0 INTENTION

The Agreement shall apply only to those employees in the occupations identified, situated at the above locations.

6.0 DURESS

The parties to this Agreement agree that agreement has been reached through consultation and all points have been fully discussed and that no party has entered into the Agreement under duress.

7.0 DATE AND PERIOD OF OPERATION

The agreement shall commence on Wednesday 10th September 1997, and shall operate until 30th June 1999.

8.0 INCIDENCE

This Agreement shall partially regulate the terms and conditions of employment previously regulated by Transport Industry (State) Award. Apart from the clauses specified in this Agreement all other clauses of the Transport Industry (State) Award including the Disputes Procedure shall apply.

9.0 FAIR DEALING POLICY (Refer Appendix 1)

The Fair Dealing Policy is the centrepiece of human resource policy within the organisation. The fundamental components embodied in the policy are:-

- (i) No retrenchment goal.
- (ii) No immediate dismissal for misconduct without review, fully paid stand-down whilst in progress.
- (iii) Dismissal a last resort and only after assisting employee.
- (iv) No unfair dismissal - proper appeal rights.
- (v) Fair treatment in general matters and conditions.
- (vi) Employee safety is a first priority.
- (vii) Fair payment policy.
- (viii) Employee crisis/ welfare support.
- (ix) Co-operation/ working in with all employees.
- (x) Commitment to two-way communication and information sharing with employees.
- (xi) Commitment to skills development.
- (xii) Policy of promotion from within.
- (xiii) Education assistance.
- (xiv) Policy of providing good equipment.
- (xv) Provision of good amenities and clean work environment.
- (xvi) Management open-door policy.
- (xvii) Employee commitment expected.

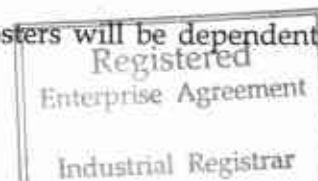


10.0 COMMITMENT

- 10.1 At a time to be agreed during the month of February 1998, the parties will review all the provisions of the new Transport Industry 1996 Award and timetable for implementation.
- 10.2 The Employer also commits to the preference of full time employees ahead of casuals, where appropriate, and labour hire firms.
- 10.3 The Employer will ensure all road transport companies engaged through the Sydney Branch shall at all times pay the appropriate rates of remuneration as set out in relevant Awards.
- 10.4 In the unlikely event that a labour hire firm is used, the Employer will ensure (as far as practicable) that the Sydney EBA rate is paid to the labour hire firm's employee.
- 10.5 The employees' occupational health and safety is the Employer's highest priority as outlined in The Fair Dealing Policy. The Employer will continue to encourage and support training for employees in all areas of O.H & S. The Employer is committed to it's 5 day Induction Training Program for all drivers and is currently finalising a revised freight handling program.
- 10.6 All permanent local fleet subcontractors engaged will have their hourly rates adjusted by the relevant percentage on their labour component only.

11.0 ROSTERED DAYS OFF

- 11.1 In addition to the provisions contained in clause '16' of the Transport Industry (State) Award (i) Accumulated Rostered Days Off ("RDO") may be paid out at the request of an employee and by agreement with the employer.
- 11.2 Penalty rates will not apply for normal hours worked on each 20th consecutive day of work if it is requested that accumulated RDOs are paid out, rather than taken as paid leave. Penalty rates will apply to hours worked outside the normal spread of hours.
- 11.3 RDO rosters will be compiled for 3 month periods for each Driver Team, and 12 month periods for Freight Handling Teams. It is requested that the Employer be advised if RDOs will be taken as an RDO, or accumulated for pay out, so the Employer can effectively plan staffing levels prior to establishing the roster. The maximum number of days to be accrued for pay out by the end of the calendar year shall be ten (10). The maximum number of days to be accrued, and taken as leave shall be five (5). RDOs may be paid out at any time during the calendar year by giving seven (7) days notice and completing the appropriate application form. The Employer accepts responsibility to maintain adequate staffing levels to maintain the roster. However, under exceptional circumstances it may be required to revise the roster plan after consultation with the employees (for example in periods of high levels of sick leave due to flu epidemic).
- 11.4 In the high volume months of October to December and Easter, rosters will be dependent on staffing levels.



12.0 HOLIDAYS

As a rule, holidays will not be granted in the high volume months of ~~October, November, December~~ and April unless there are exceptional circumstances. In these instances as much notice as possible is to be provided and applications will be assessed by the relevant Divisional Manager and submitted to the Operations Manager for approval.

13.0 CASUAL HIRE EMPLOYEES

As per section 1 Clause 9 of Transport Industry (State) Award 1996.

(Note:- Casual drivers shall not take overtime from permanent employees.)

14.0 RATES OF PAY (WAGE INCREASES)

The Employer agrees to grant to the Employees an increase on their present base wage in an amount of three and a half percent (3.5%) immediately, a further one and a half percent (1.5%) in the first week of December 1997, a further two and a half percent (2.5%) in the first week of July 1998, and a final two and a half percent (2.5%) in the first week of December 1998. This represents increases upon the Employee's present wage rates which are equal to or greater than those in the Transport Industry (State) Award. These increases shall, however, be subject to the following:-

- 14.1 Any Award increases during the said period shall be absorbed within the proposed increases, save where within such period the Award increase shall be in excess of the EBA rate, in which case such excess will be passed on to the Employees.
- 14.2 The Union shall not make or pursue any extra wage or other claim during the life of this agreement, other than those agreed to in accordance with the memorandum of understanding between Discount Freight Express and the Transport Workers Union of Australia (NSW Branch) dated 8th September 1997.



14.3 Table of rates of pay, for the duration of the agreement.

GRADE	Award Rate September 97	Current Rate	3rd Dec 97 (1.5%)	1st Jul 98 (2.5%)	2nd Dec 98 (2.5%)
One	446.70	462.33	469.264	480.995	493.020
Two	462.30	480.70	487.910	500.107	512.610
Three	473.10	491.94	499.319	511.801	524.597
Four	482.50	499.3875	506.878	519.549	532.538
Five	506.80	524.538	532.466	545.716	559.358
Six	512.90	532.07	534.730	548.098	561.800
Seven	531.40	550.00	558.25	572.206	586.511
Eight	569.10	589.01	597.845	612.791	628.110

15.0 FUTURE WAGE INCREASE

The EBA committee shall meet at least once per quarter to review the parties' progress in achieving the productivity/flexibility commitments in this agreement.

The increases as indicated in clause 14.0 are guaranteed but the Employer and the EBA Committee will consider the potential for future flexibility/productivity. To this end, in February 1998 the Employer and the committee will review the new Transport Industry (State) Award with a view to implementing the additional flexibility in this award.

16.0 SUPERANNUATION

The Employer shall pay superannuation into the TWU Superannuation Fund per the superannuation guarantee guidelines in accordance with the trust deeds.

17.0 WORKERS COMPENSATION

As per the Workers Compensation Act 1987. It is the intention of the Employer to process claims as soon as possible.

18.0 PRODUCTIVITY IMPROVEMENTS

The parties agree that the following shall represent work practices and/or goals agreed to be in the interest of the parties which will assist the Employer to achieve its Service Quality Assurance required standards.

18.1 Self Managed Work Teams

All employees are to adopt the principle and contribute to the introduction and building of Self Managed Work Teams. The implementation of Self Managed Work Teams will create far greater harmony within the operations group as well as providing a more rewarding and satisfying work environment. Supervisors will play a more guiding and advisory role, rather than their current directive role.

The following is a list of issues to be addressed by Self Managed Work Teams.

- Achieve specified targets of 1% or less service failures.
- Share work within Team on most equitable and efficient basis.
- Achieve operational and budget goals.
- Maintain housekeeping standards.
- Conform to health and safety standards.

- Minimise wastage.

18.2 All the employees who are involved in handling freight shall:-

- Handle customers' products in a correct and proper manner and agree that the practice of 'throwing freight' should be eliminated.
- Aim to improve the quality of loading, for example, by eliminating misdirects and damages. Aim to achieve improved linehaul utilisation, and linehaul departure deadlines. Particularly this means that the last Brisbane unit must depart by 8.30pm, Melbourne by 10.00pm and Tamworth, Coffs Harbour and Wagga by 10.30pm. Our mutual objective is to improve linehaul utilisation from its present level of 75.4% to 77.5%.
- Employees shall accept and embrace new technology which is critical to our ongoing success.
- Employees shall endeavour to ensure that freight is both stickered and cubed to 100% accuracy.
- All employees shall work to improve our current drop rate by 3% per quarter to achieve our previous average of 44.62 drops.

18.3 Employees shall start work at the time agreed upon for their classification and by way of example this shall mean that casuals, depot staff and drivers shall commence immediately at the start of the working day.

18.4 Employees who are drivers shall have as their prime objective the achievement of the earliest possible departure and arrival times at the Employer's terminal. The mutual objective is to achieve fleet inbound times of 70% by 6.00pm, 95% by 6.30pm and 100% by 7.00pm. Further, the target unloading time for Run Trucks is 40 minutes on average, and for Bulk Trucks 30 minutes. This means that unload times may take more or less time depending on circumstances. To assist in achieving this the following work practices shall be adopted.

- Assist on adjoining runs when applicable.
- Assist on conveyor lines whenever required.
- Ensure that pick ups are effected as quickly and efficiently as possible.
- Assist colleagues in the PM unload rather than sit in the queue.

18.5 All employees shall strive for a goal of 100% scanning accuracy.

19.0 BONUS

A bonus of some form will be paid at the end of each financial quarter provided that both the branch and national service and profitability targets are achieved. These targets and our progress in achieving them will be communicated to all employees on a regular basis.

20.0 LEADING HANDS

Leading Hands will be appointed by the Branch Manager upon recommendation by the Operations Manager. Leading Hands will continue to embrace the additional responsibilities necessary to become effective Team Leaders. They will continue to be involved in assisting supervisors, induction training, and provide feed back to teams in Team Meetings regarding achievement of key objectives. They will work with team members, supervisors and managers in not only maintaining existing standards, but in constantly seeking areas for improvement. They will be totally committed to multi-skilling and training as per clause 21.0 below. They will be paid a Leading Hand allowance of \$50.00 per week. Leading Hands are not expected to appraise or counsel employees.

21.0 TRAINING AND MULTI-SKILLING

As the Employer embraces the technological advances and industrial reform essential for its success it is critical that employees embrace the concepts of multi-skilling and additional training. This means that drivers and freight handlers may be required to learn and experience different facets of the operation. They may also be encouraged to embark on additional external training through approved courses at TAFE, or other appropriate institutions as indicated by the Employer.

To this end the Employer will provide a list of both internal and external training courses together with dates of commencement, application forms and costs (where applicable) which employees will be encouraged to complete.

Where costs are involved for an approved external course, and an employee has applied and been approved by the Branch Manager to embark on such a course, the Employer will provide reimbursement of these costs upon successful completion of the course.

22.0 DEMARCATION

In line with our corporate desire to operate as a Team towards mutually accepted goals Supervisors and Managers and employees shall be allowed to engage in freight handling and driving functions (in company cars) in certain circumstances and conditions provided that the TWU delegate is consulted at the time.

23.0 CRIB BREAK

In-yard agreements relating to flexibility with crib breaks have already been struck and are as follows:- (see Appendix 2)

24.0 EMPLOYMENT/PROBATIONARY PERIOD

All eight (8) hour employees are subject to a three (3) month probationary period, and during that time employees can be terminated at the discretion of the Employer. The Employer commits to review employees on the three month anniversary and either appoint the employee to a permanent position or extend the trial for a finite period. The principles of the Fair Dealing Policy shall be observed in all instances.

The Employer reserves the right to implement and maintain standards, rules and codes of conduct with which employees shall abide. These rules, which are contained in company procedures, policies and handbooks are to be observed at all times.

25.0 START TIMES

Change of shift start times within the normal spread of hours will require 24 hours notice and is limited to three (3) changes per annum. In the unlikely event of an additional requirement to change start times seven (7) days notice will be given.

To be reviewed in February 1998 per clause 10.1 herein.

26.0 SETTLEMENT OF DISPUTES

The parties agree that any disputes that shall arise in respect to the implementation, operation or interpretation of this Agreement shall be dealt with in accordance with the dispute provision of the Transport Industry (State) Award and the Multigroup Distribution Services Pty Limited "Company Fair Dealing Policy" (refer Appendix 1). All work shall continue as normal while these negotiations are taking place.

Unless the issue relates to safety it is agreed that:-

1. There will be at least 24 hours notice of any requirement of a yard meeting to discuss a dispute.
2. The timing of any such meeting so as to minimise the impact on the operation will be outside of paid hours.
3. All work will continue as normal whilst these negotiations are taking place.
4. Management will be given the opportunity to address employees directly if the dispute remains unresolved through normal channels.



Signed for and on behalf of
Multigroup Distribution Services Pty Ltd

By



[Handwritten signature]

 Abdul Kassaby General Manager, NSW

[Handwritten signature]

 Glen Munro Operations Manager, Sydney

25th March 1998

 Date

Signed for and on behalf of
Transport Workers Union of Australia (NSW Branch)

By

[Handwritten signature]

 Steve Hutchins - State Secretary Treasurer

.....
 Date

Appendix 1



Registered
Enterprise Agreement
Industrial Registrar

COMPANY/EMPLOYEE RELATIONS

COMPANY FAIR DEALING POLICY - EMPLOYMENT COMMITMENT EXPECTED

COMPANY FAIR DEALING POLICY - EMPLOYMENT COMMITMENT EXPECTED

THE FOLLOWING POLICY STATEMENTS AND SUPPORTING NOTES REPRESENT THE MINIMUM STANDARDS ACCEPTABLE WITHIN THE COMPANY REGARDING DEALINGS WITH ALL WHO WORK IN THE COMPANY, EITHER AS EMPLOYEES OR FULL-TIME SUBCONTRACTORS. AS CASUAL/PART-TIME PEOPLE ARE NOT ENGAGED ON A CONTINUING BASIS AND ENGAGEMENT IS ONLY ON A DAILY BASIS - ITEM 1 IS NOT APPLICABLE TO THOSE MEMBERS.

1. NO RETRENCHMENT GOAL.
2. NO IMMEDIATE DISMISSAL FOR MISCONDUCT WITHOUT REVIEW - FULLY PAID STAND-DOWN WHILST IN PROCESS.
3. DISMISSAL A LAST RESORT AND ONLY AFTER ASSISTING EMPLOYEE.
4. NO UNFAIR DISMISSAL - PROPER APPEAL RIGHTS.
5. FAIR TREATMENT POLICY IN GENERAL MATTERS/CONDITIONS.
6. EMPLOYEE SAFETY IS FIRST PRIORITY.
7. FAIR PAYMENT POLICY.
8. EMPLOYEE CRISIS/WELFARE SUPPORT, E.G. SICKNESS/ACCIDENT.
9. CO-OPERATION/WORKING IN WITH EMPLOYEES.
10. COMMITMENT TO 2-WAY COMMUNICATION AND INFORMATION SHARING WITH EMPLOYEES.
11. COMMITMENT TO SKILLS DEVELOPMENT.
12. POLICY OF PROMOTION FROM WITHIN.
13. EDUCATION ASSISTANCE.
14. POLICY OF PROVIDING GOOD EQUIPMENT.
15. PROVISION OF GOOD AMENITIES AND CLEAN WORK ENVIRONMENT.
16. MANAGEMENT OPEN DOOR POLICY.
17. EMPLOYEE COMMITMENT EXPECTED.



1. NO RETRENCHMENT GOAL

As at 1990 the company has successfully avoided retrenchment as a general approach to business problems and this has not been accidental - it has been an important part of company policy for more than sixteen years since the company started in 1974.

It has been and continues to be a clear goal for managers to place even ahead of profitability goal the objective of generating sufficient freight volumes and associated work to keep all permanent members of the company in a job.

In 1982/1983, the worst recession we have been through in our history, we consciously maintained and added work at prices that were below the commercial price level required by the company and weathered the storm, keeping everybody in a job. Currently during 1989/1990 we have carried higher levels of employment than work has justified as we did in 1982/1983 and management has the clear goal and commitment to increase freight volume to provide employment in 1991.

The summary of this is that we will not cut back on employment as a first option and will do everything we can to avoid this in the normal management of the business, accepting that the company has an obligation to strive to look after those who work for the company as a first priority, level with the priority of looking after our customers (which also helps to create job security in itself).

2. NO IMMEDIATE DISMISSAL FOR MISCONDUCT WITHOUT REVIEW AND FULLY PAID STAND-DOWN WHILST IN PROCESS

It is acknowledged that serious employee created incidents occur at times which may warrant dismissal without notice, including misconduct such as dishonesty, theft, being under the influence of alcohol on duty, serious cases of security breaches, abusiveness, violence, etc.

It is a clear company policy that no 'heat of the moment' decision should be made regarding an employee's future with the company and the following steps are required in a situation where it appears that dismissal may be warranted for a serious breach by the employee.

- (a) Private discussion between the person concerned and their immediate manager to ensure that both sides of the story are understood.
- (b) Discussion by the immediate manager concerned with the manager to whom they report.
- (c) Stand-down on full pay for a day from stand-down pending a proper review the next day.
- (d) A fair review of the facts within 24 hours and approval needed to be given to the immediate manager concerned by their manager for termination and involvement of delegate/s where appropriate.

3. DISMISSAL A LAST RESORT AND ONLY AFTER ASSISTING EMPLOYEE

Dismissal of an employee for unsatisfactory performance will be effected only after proper steps have been undertaken by the manager directly concerned, to assist the employee to reach the required job performance standards.

It is acknowledged that sometimes insufficient effort is made by a person in this position to close the gap between required performance and performance that is not satisfactory. However, where clear efforts are being made by the employee to reach the required standards, management is expected to be patient, helpful and understanding and give very clear assistance to the person to both learn and apply those skills to his job.

Where it is believed that the employee is not making reasonable attempts to meet required standards or if performance is simply too low compared to standards that it is believed the person cannot make up the gap, no dismissal is to be carried out until this has been properly reviewed between the direct manager responsible and their immediate superior and termination of the person concerned is only to proceed if no other course of action can be seen workable. At this point involvement of delegate/s will be required where appropriate.

Where serious misconduct, dishonesty, etc, occurs this is a different matter and is covered in Section 2.

4. NO UNFAIR DISMISSAL - PROPER APPEAL RIGHTS

Where an employee has been dismissed for either unsatisfactory performance or misconduct, the employee has the right to apply for a formal review of this decision.

This must be done in writing by the employee addressed to the branch manager concerned or the most senior executive at the work station involved within seven (7) days from date of termination.

A Committee of Review will be formed within a further seven (7) days comprising three (3) local members of the company (where numbers are sufficient) nominated by the person requesting formal review and two (2) additional people appointed by senior management. The Review Committee will be chaired by the most senior executive involved and the committee will be conducted as a formal meeting. The committee will hear all the relevant facts and the five (5) people concerned will vote by secret ballot on the future status of the person being reviewed. The findings in this case will either confirm termination or reinstatement in the case where an error of judgement is believed by the committee's majority to have occurred.

All members of the company involved in the review are expected to review the facts in a fair



and balanced manner and to decide whether termination was warranted given the facts, or whether a serious mistake, misunderstanding or error of judgement occurred and the person being terminated genuinely deserved reinstatement. A balance of fairness is expected of all in reaching a decision and voting, with both the individual and the company's position being carefully considered.

In the case of misconduct, reinstatement may only take place where the committee's majority is of the belief that the alleged misconduct did not occur and not on the basis that serious misconduct should be ignored or accepted by the company. Where doubts exist regarding the true facts, the balance of probability rule will apply as the basis of each person reaching an opinion.

Where reinstatement is considered appropriate by a majority vote of the Review Committee, this will be done immediately by the company and all former seniority and financial status will be reinstated, with full normal pay applying to the unpaid period involved.

5. **FAIR TREATMENT POLICY IN GENERAL MATTERS/CONDITIONS**

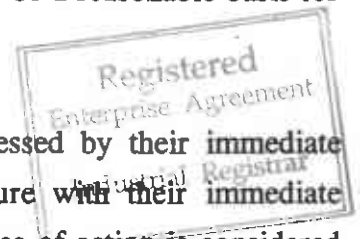
It is the policy of the company to treat all employees fairly in all respects and concerns regarding questions of unfair treatment expressed by an employee are to be taken seriously and corrective action is to be taken by the direct manager concerned, should there be a reasonable basis for the employee's complaint.

Where a person does not feel they are having their problem addressed by their immediate manager, the employee has the right to discuss any concern of this nature with their immediate manager's superior, privately, without fear of the consequence. If this course of action is considered appropriate by the person concerned it is suggested that an appointment be made with their immediate manager's superior and the problem discussed openly with a view to obtaining assistance in the matter. If this process does not result in satisfaction then the employee concerned has the right, subject to their availability, to approach one (only) more senior manager still, up to and including the Managing Director, and any such approach to more senior management will need to be undertaken in writing so that a proper response can follow.

The aim of all of this is to ensure that everyone is dealt with fairly and it is hoped that these rights will not be abused or used in relation to trivial matters. In all cases, as a courtesy to the direct manager concerned, the person wishing to discuss their concerns should politely advise their direct manager they are exercising this right and they have the right to expect assistance and goodwill in this process, without interference or pressure.

6. **EMPLOYEE SAFETY IS A FIRST PRIORITY**

Any immediate issue of safety is an important and immediate matter and where any employee



considers a situation, work practice, etc is unsafe, they are expected to immediately raise the matter with their direct superior with a view to urgent corrective action occurring to ensure safe working conditions.

Concerns of a less immediate nature and suggestions for improving safety will be welcomed by management and management throughout the company is expected to respond in an effective, practical manner to any practical suggestions for improving safety in the work place.

7. FAIR PAYMENT POLICY

It is the policy of the company to remunerate everyone working within it in a fair and equitable manner for the job concerned.

Where a relevant award applies it is absolutely required that pay scales and conditions outlined in that award are passed on and where no award is applicable, that market rates apply relevant to the skills and responsibility level required by the job. Where any employee has a concern in this regard they are entitled to discuss this with their immediate manager who is expected to be receptive, open and frank in relation to this matter. Where applicable, relevant copies of awards are to be made available upon request at any company location.

8. EMPLOYEE CRISIS/WELFARE SUPPORT, E.G. SICKNESS/ACCIDENT

In unusual cases of employee financial, sickness or accident crisis situations, the company can provide assistance on a short term basis.

On the basis that these problems occur in relatively few instances compared with the number of people who work for the company, some capacity exists for employee assistance on occasions of extreme hardship. In all cases of this nature these should be brought to the attention of the Managing Director by the branch/local senior manager where it is considered that some special assistance is needed and warranted.

It is not the role or intention of the company to attempt to displace the relevant welfare agencies, required personal insurance arrangements, finance companies, etc. However, the company has assisted special cases in the past and will continue to do so in the future on the basis of commercial capacity to do so and the merits of the individual case concerned.

9. CO-OPERATION/WORKING IN WITH EMPLOYEES

It is the clear intention of senior management that all who work in the company are considered equal contributing members of the team despite varying levels of responsibility and the different jobs



that people may have. It is expected that everybody working for the company will exhibit a co-operative, respectful and mutually supporting approach to all other members of the company. A positive supportive approach of other team members is especially expected of management and their example in setting these standards of co-operation and mutual respect is considered a duty and an obligation.

10. COMMITMENT TO 2-WAY COMMUNICATION AND INFORMATION SHARING WITH EMPLOYEES

It is the policy of the company to let everybody know what our goals, problems, successes, etc. are. Everyone within the company is entitled to information of at least a general nature on the business situation, whether things are getting better or worse and especially aspects of the company's performance overall and locally that might affect job security and matters important to the employee. Management is expected to communicate progress, etc., regularly to all concerned and to share information, goals, plans etc., as much as possible.

It is the company's belief that a well informed employee, knowing what the company's goals are, how we hope to achieve them and how they personally fit into the plans, is better equipped as a member of the team and more able to get on with their job, feeling rightly an important part of the company's progress.

11. COMMITMENT TO SKILLS DEVELOPMENT

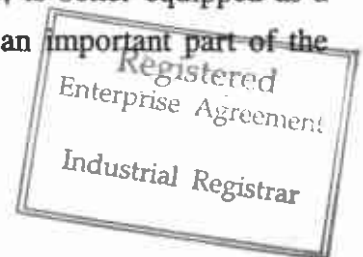
It is the responsibility of every manager in the company and every other experienced person who has developed skills relative to their job within the company to assist others via training, information sharing, etc., to develop similar skills.

All personnel in management and supervision positions are expected to devote some of their time every day in assisting their people to develop knowledge, understanding and practical skills applicable to their job and to particularly answer questions, give information relevant to this on request by people who need better understanding of their responsibilities and methods to be employed in doing their job.

The company is committed also to the development of formal training programmes to assist people developing skills internally within the company, which will also contribute to career development of people within the company generally.

12. POLICY OF PROMOTION FROM WITHIN

Wherever possible, it is the policy of the company to develop people working within the



company so they may pursue a career development course within the company.

Where this results in existing personnel having developed skills that qualify them for a promotion to a position of greater responsibility and better remuneration, promotion will be undertaken within the company as it is preferred to recruitment outside in any case where an existing employee meets the required standards for the position.

This does not mean that the company can always make internal appointments and promote only from within and it is considered that a balance of external and internal appointments will always be necessary to ensure development of the best team. However, it would always be considered appropriate to appoint and promote from within where an existing employee clearly has the right skills, motivation and ability rather than appoint from outside.

13. EDUCATION ASSISTANCE

The company is committed to supporting employee self education where this is relevant to the job and the career path within the company of the employee. For example - where an employee wishes to undertake part-time studies in their own time in developing general knowledge directly related to their job, the company will on approved programmes reimburse fees, text book costs and other direct education expenses upon successful completion of the course year, semester, term, etc., evidenced by official results.

Assistance of this nature must be approved by both the branch/local manager and also the relevant overall General Manager of the company along strict guidelines arranged prior to commencement of the course.

The aim of this is to assist in personnel development and help to support the policy of promotion from within.

14. POLICY OF PROVIDING GOOD EQUIPMENT

The company expects a good workmanlike job to be done by everybody within the company and it is the policy of the company to provide the correct equipment, tools etc to do the job properly. Wherever it can be seen that equipping a person better to do the job will result in productivity improvement adequate to pay for the costs concerned, it is the direct manager's responsibility to ensure that this opportunity is identified and properly recommended, to ensure the implementation of appropriate equipment improvements to assist the person to do a better job.

It is company policy to maintain equipment in good order and condition and for the appearance of all company equipment to signify the high standards that exist within the company and also to assist

in a person feeling pride in their use of that equipment in their job.

15. PROVISION OF GOOD AMENITIES AND CLEAN WORK ENVIRONMENT

It is company policy to provide clean, hygienic and pleasant working conditions for all concerned. This is a shared responsibility and requires the attention of management to ensure routine maintenance, cleaning and good presentation of facilities and for all who use them to assist in achieving continuing cleanliness, care of facilities, etc.

It is acknowledged that it is a reasonable expectation of everybody employed in the company to be able to come to work at company premises and use facilities which are not unpleasant and as good as we can arrange given age of buildings, etc. Morale, job satisfaction etc are directly affected by these factors and should be taken seriously by all.

16. MANAGEMENT OPEN DOOR POLICY

To ensure amicable relationships within the company, management is expected to have a receptive 'open door' approach to employees and ensure that they listen and respond where required to any reasonable concern or suggestion by other members of the company.

It is absolutely essential that a fair balanced relationship exists throughout the company and this can only be achieved by managers realising that the company has responsibilities to all of the people working within the company and expectations of diligence, loyalty and support of the company by everyone within the company depends upon mutual respect, fairness in all aspects of dealing with each other and being on the same side.

17. EMPLOYEE COMMITMENT EXPECTED

The workability and success of the company's policies towards those who work for it depend upon the success of the company in harmoniously providing an unbeatable level of service to its customers. Keeping customers depends upon keeping customers happy and this is completely dependent upon those who work towards this end.

Put the other way around, the company's success depends upon customers being given the best service by those working in the company and those working for the company in turn being able to achieve secure, well rewarded positions and good conditions as a result.

This 3 way partnership and mutual dependence has to work for all participants and improving conditions and pay progressively depends upon us improving service and customer satisfaction progressively each day.



Working and thinking hard to do a better than average job, loyalty, reliability, diligence and teamwork are the hallmarks of a successful group and these are expected of all who work for an ambitious company that really wants to look after its people.

GREG POCHE
MANAGING DIRECTOR



APPENDIX 2.

Appendix 2

A. Memorandum regarding AM Freight Handlers Crib Break dated 10 November 1995

In our meeting held in the Training Room on 31 October, 1995 regarding the 15 minute Crib Break, a democratic show of hands resulted in the following agreement.

1. It was agreed that on Mondays there will be a 15 minute crib break at some stage prior to 9:30am when commencing the shift at 5:00am. There would also be a 45 minute lunch break held between 11:00 am and 11:45am.
2. On Tuesdays to Fridays when starting prior to 6:30am, it was agreed that there would be no 15 minute crib break between 8:00am and 9:00am. There will however, be a 45 minute break between 11:00 am and 11:45am.
3. It was also agreed that where possible the shift would finish prior to 3:30pm on the proviso that all the work is done including the up keep of the depot. Further, that whilst our normal priority is to process freight, there may be occasions whereby a greater emphasis is placed on depot up keep. This has always been our policy but has been more difficult to achieve during the high volume months of October, November and December (for example last week the shift finished an average of 15 minutes early compared to 40 minutes 10 weeks ago). It was agreed that any finish time before 3:30 for our permanent employees should be viewed as a bonus and not taken for granted.
4. The current 6:00am start time may be revised depending on prevailing volumes/linehaul arrivals times etc.

The purpose of this memorandum is to clarify what we believe to have been agreed in our meeting of 31 October, 1995 and to give anyone who disagrees with this interpretation of the agreements reached an opportunity to bring this to Tony, Mark or myself.

In the meantime, I thank you all for your common sense approach to understanding how this crib break can badly effect our fleet on road times and therefore driver moral and ultimately the service we provide our customers.

B. Memorandum regarding Crib Time dated 26 February 1996

Thank you all for accepting our proposal re flexibility of the crib break to be reviewed on the 15th March.

The purpose of this memorandum is to ensure that everybody has a clear understanding of the agreement reached which is as follows

1. From here on in, the 10:00pm crib break will be waived.
2. After the last time-critical linehaul departure, ie. Brisbane, Melbourne, Coffs Harbour, Tamworth or Wagga/Albury, we will call a five minute's paid break.

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3. The twenty minute crib break allowance will be paid for, this applies to both casual and permanent employees.
4. Penalty rates will commence at 11:10pm for permanent and after 7 hours and 40 minutes for casual employees.

Example 1: Employee works from 15:30 to 23:10, payment will be 8 hours normal and 20 minutes crib at normal rate.

Example 2: Employee works from 15:30 to 23:30, payment will be 8 hours normal and 20 minutes overtime at time and a half plus 20 minutes crib at normal rate.

5. On nights whereby circumstances dictate that the finish time is likely to be after 12:30 am we will call a twenty minute crib break after the last linehaul departure as defined above.

Flexibility over this issue will significantly improve the linehaul departures of our last time critical legs and will result in a corresponding improvement in servicing our receiving branches.

Should you have any queries or concerns regarding this arrangement, please don't hesitate to contact your Supervisor or Manager and in the meantime, I thank you for your co-operation and support.

