

**REGISTER OF
ENTERPRISE AGREEMENTS**

ENTERPRISE AGREEMENT NO: EA99/187

TITLE: TNT Communication Logistics (New South Wales) Enterprise Agreement 1999

I.R.C. NO: 99/756

DATE APPROVED/COMMENCEMENT: 4 March 1999 and commenced first full pay period on or after 1 March 1998

TERM: Expires 30 April 2000

NEW AGREEMENT OR VARIATION: New. Replaces EA 98/173

GAZETTAL REFERENCE:

DATE TERMINATED:

NUMBER OF PAGES: 16

COVERAGE/DESCRIPTION OF

EMPLOYEES: Applies to all employees in respect of all operations carried on by TNT Communication Logistics involved in the transportation, storage and warehousing of Telstra materials

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

TNT COMMUNICATION LOGISTICS

and the

**TRANSPORT WORKERS UNION
OF AUSTRALIA (NSW BRANCH)**

TNT COMMUNICATION LOGISTICS

(NEW SOUTH WALES)

ENTERPRISE AGREEMENT

1999

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TNT COMMUNICATION LOGISTICS (NEW SOUTH WALES) ENTERPRISE AGREEMENT 1999

1. TITLE

This Agreement shall be known as the TNT Communication Logistics (New South Wales) Enterprise Agreement 1999.

2. ARRANGEMENT

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3. APPLICATION OF AGREEMENT

This Agreement has been formulated as a result of a contractual agreement between TNT Australia Pty Limited and Telstra Corporation Limited regarding the outsourcing of Telstra's warehousing and distribution network. It is intended to apply to all warehousing and distribution functions carried on by a newly created division of TNT Australia Pty Limited on behalf of Telstra across New South Wales.

For the purposes of this Agreement, the division of TNT Australia Pty Limited which has been created to operate this contract, and to which this Agreement applies, shall be known as TNT Communication Logistics.

This Agreement does not recognise any awards or agreements to which Telstra Corporation Limited was bound by whilst the warehousing and distribution network was being operated by Telstra.

4. PARTIES BOUND

This Agreement shall be binding on the following parties:

- (a) TNT Australia Pty Limited, trading as TNT Communication Logistics, in respect of all operations carried on by this division in New South Wales which are involved in the transportation and storage of Telstra materials;
- (b) all employees engaged by TNT Communication Logistics in any transportation and/or warehousing functions in New South Wales which would otherwise be governed by the NSW Transport Industry (State) Award 1996; and
- (c) the Transport Workers Union of Australia - NSW Branch (the Union).

5. DATE AND PERIOD OF OPERATION

This Agreement shall come into force from the first full pay period to commence on or after 1 March 1998 and shall remain in force until 30 April 2000.

The parties agree that negotiations for the renewal of this Agreement shall commence no earlier than 31 October 1999.

6. RELATIONSHIP TO PARENT AWARD

This Agreement shall be read and interpreted wholly in conjunction with the NSW Transport Industry (State) Award 1996, provided that where there is any inconsistency, this Agreement shall take precedence to the extent of such inconsistency.

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7. NO EXTRA CLAIMS

It is a term of this Agreement that the parties to this Agreement will not pursue any extra claims, award or over award, for the life of this Agreement.

8. NOT TO BE USED AS A PRECEDENT

This Agreement shall not be used in any manner whatsoever to obtain similar arrangements or benefits in any other plant or enterprise.

9. OBJECTIVES OF THE AGREEMENT

The primary objective of this Agreement is to establish a working environment which is efficient, flexible and committed to the success of the company's contract and ongoing relationship with Telstra. This is to be achieved via the shared commitment of employees and management to the following objectives:

- (a) To develop and maintain a culture of trust, consultation and co-operation with the view to achieving a continuous improvement in the competitive performance of the company;
- (b) To provide the necessary mechanisms for change through a participative and consultative process;
- (c) To identify and develop a number of key performance indicators which are crucial to achieving concise measurement of the overall performance of the business;
- (d) To ensure that a program of continual workplace review and reform is established and that all parties co-operate and participate fully in this endeavour;
- (e) To develop a highly motivated, skilled, flexible and adaptable workforce;
- (f) To foster co-operation between the company and all staff in a climate of consultation, not confrontation, through the recognition of the needs and concerns of all;
- (g) To operate within flexible and responsive parameters to meet customer requirements;
- (h) To integrate with other parts of Telstra's operations in an environment free of demarcation and restrictive work practices so as to maximise service levels;
- (i) To ensure flexibility, quality, timeliness and reliability of service; and
- (j) To establish and generally maintain sites which are free of demarcation barriers and restrictive work practices.

10. RECRUITMENT AND TRAINING

The company is committed to recruiting the best people and providing ongoing training to its employees so as to ensure the highest standards of quality, service and work ethic are maintained at all times. The recruitment process will be dependant upon the number of Telstra employees wishing to accept a position with the Company and the number of employees required to efficiently operate the business.

The company is committed to providing training to all employees covered by this Agreement.

11. CONTINUOUS IMPROVEMENT

All employees undertake to work with management to problem solve and to suggest and implement improvements which will enhance productivity. Active involvement in Continuous Improvement Teams will facilitate this co-operation.

As part of the continuous improvement strategy of the company, the parties to this Agreement will achieve the following:

- (a) completing the whole job cycle of planning, executing, checking and reporting the completion of the allocated work;
- (b) responsibility for the safety, quality, environment, cost and time control issues relating to the allocated work;
- (c) multi-skilling;
- (d) full utilisation of skills and competence; and
- (e) the establishment and ongoing maintenance of a site which is free of potential demarcation barriers and employee restrictive work practices.

A Continuous Improvement Team comprising of management and employees shall be established at each site.

The Team shall consist of the Contract Manager and at least 2 employees at each site (to be elected or otherwise determined on site), and shall meet regularly at dates to be agreed.

The role of the Team shall be to :

- (a) Agree on a set of values and behaviours that will clearly outline the expectations of the Continuous Improvement Team and the way in which all employees will conduct their work.
- (b) Ensure that the operation and its Team achieves 100% customer satisfaction by performing to our standards as perceived by the customer.

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- (c) Set objectives that provide a Quality result for the benefit of the business's customers and employees. The objectives must provide for the creation of a harmonious and productive work environment and the full commitment of all those participating. They will include attention on the building of the Team and its achievement of competitive advantage by providing a quality service.

Areas for consideration will include :

- Customer Service
- Profit Improvement
- Wastage
- Error Control
- Occupational Health and Safety
- Quality Accreditation
- Communications
- Employee Development
- Reward and Recognition

- (d) Monitor the successful implementation of the Agreement and the achievement of key performance indicators.
- (e) Communicate with all other employees regularly regarding issues discussed by the Team.

The Company will provide the Continuous Improvement Team with such information and training as is necessary to ensure its effective operation.

12. UTILISATION OF CONTRACT LABOUR

The parties to this Agreement acknowledge that the engagement of external contract labour from a labour hire organisation on terms equivalent to those contained in this Agreement may be required on occasions (particularly in the early stages of the contract), subject to the operational requirements of the business. Contract labour from a labour hire organisation will be engaged having absolute regard to the high standards of recruitment and training needed to maintain the highest quality of work demanded by both the company and Telstra.

The parties are committed to ensuring that the interaction between company employees and external contract labour from a labour hire organisation is at all times harmonious, co-operative and free from any industrial disputation.

13. PROBATIONARY PERIOD

The following clause shall not apply to those employees who were previously employed by Telstra and who immediately accepted an offer of employment with the company at the commencement of the contract with Telstra.

In all other cases, employees shall, on engagement, be subject to a probationary period of two (2) months during which time:

- (a) the company will provide appropriate training to enable the employee to develop the required work skills and knowledge;
- (b) the employee's performance and progress shall be reviewed on a monthly basis;
- (c) the employee will be required to demonstrate suitability for ongoing employment through the satisfaction of all relevant work requirements as advised to the employee on engagement;
- (d) in the event an employee's fails to perform to the required minimum standard, employment may be terminated at any time during the probationary period subject to compliance with the statutory/award provisions regarding notice.

The company has the discretion to waive the probationary period in cases where it is satisfied that the employee has effectively met the requirements of appointment as a permanent employee by virtue of previous service or service in a temporary, casual or external contract capacity.

14. TEMPORARY EMPLOYMENT

A temporary employees shall be a full-time or part-time employee employed:

- (a) for a period not exceeding 12 months; and
- (b) for the purpose of covering the absence of another employee, or for another special or seasonal reason.

The term of the employment shall be notified in writing to the employee at the time of engagement.

Temporary employment may be terminated prior to the expiry of the specified term in the manner provided in the Award.

15. PART-TIME EMPLOYMENT

Part-time employees may be engaged in accordance with the following provisions:

- (a) A part-time employee is an employee engaged to perform less than an average of 152 hours in any four (4) week cycle. The hours of work shall be determined by the company in accordance with clause 17 of this Agreement provided that a part-time employee works a minimum of 4 hours per day and a minimum of 20 hours per week;

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- (b) A part-time employee shall be paid an hourly rate of one-thirty eighth (38th) of the relevant weekly rate prescribed in this Agreement, or part thereof, and shall be paid shift premiums on a pro rata basis where applicable; and
- (c) A part-time employee is entitled to annual leave, sick leave, public holidays and compassionate leave on a pro rata basis, calculated on the normal ordinary hours the employee would have worked in accordance with subclause (a) above.

16. STRUCTURE OF WORKFORCE

Consistent with clause 10.5 of the Award, the ratio of full-time employees to non-full-time employees (including casual and permanent part-time employees), shall remain 4:1.

Consistent with clause 9.3 of the Award, the company shall not engage casual employees in excess of one quarter of the number of weekly employees (ie. other than casual employees) employed plus one additional casual employee.

17. HOURS OF WORK

The ordinary hours of work for full-time employees, exclusive of meal breaks, shall be worked continuously on an average of 38 hours per week spread over a period of 4 weeks, and may be worked as determined by the company on the following basis:

- (a) the ordinary hours of work shall be worked between 6:00am to 7:00pm Monday to Friday inclusive;
- (b) the ordinary hours of work to be worked in any one day shall not exceed 10 per day, provided that by mutual agreement with employees at a site, this may be extended to 12 hours per day;
- (c) where shifts in excess of 8 hours per day are introduced, an 8 hour minimum shall apply;
- (d) the ordinary hours of work referred to in paragraph (a) above may also be worked on a Saturday provided that the number of ordinary hours worked on Saturday are no less than 7.6 and no more than 8. Employees working ordinary hours on Saturday shall be paid at the rate of time-and-one-half for the ordinary hours worked on that day. In such cases, the employee must have Sunday and Monday as days off, unless they are worked as overtime;
- (e) the starting time of a shift may be varied by up to 2 hours either side (within the ordinary spread of hours) with the giving of not less than 48 hours notice. Provided that less than 48 hours notice may be given when such notice is given during or at the conclusion of the period of work 2 days before the working day when the notice will take effect.

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18. SHIFT WORK

For the purposes of this Agreement:

- (a) "day shift" shall be defined as a shift which commences at 6:00am or later, but finishes at or before 7:00pm;
- (b) "afternoon shift" shall be defined as a shift which finishes after 7:00pm but no later than 12:30am.

All other shift provisions contained in the Award shall otherwise apply.

19. COMMITMENT TO MULTI-SKILLING

The parties to this Agreement are committed to multi-skilling and the removal of all restrictions to an employee's or supervisor's ability to perform a number of functions within the operation. In particular, employees shall not restrict any other employee or contract carrier from loading or unloading their own vehicles as required.

The company is committed to providing the necessary training and support to all employees to ensure the achievement of a fully multi-skilled workforce which facilitates the most efficient operation of the business.

20. CLASSIFICATION STRUCTURE

All employees covered by this Agreement shall be governed by the following classification structure. Nothing shall prevent employees from working in any or all of the areas of the operation, including work which is applicable to lower levels, subject to the operational requirements of the business.

DISTRIBUTION FACILITY EMPLOYEE - GRADE 1

Skills/Duties

- Responsible for the quality of their own work subject to detailed direction;
- Works in a team environment and/or under routine supervision;
- Undertakes duties in a safe and responsible manner;
- Exercises discretion within their level of skills and training;
- Possesses basic interpersonal and communication skills;
- Must be competent to perform one or more of the following tasks/duties, as required, or a combination thereof:
 - storing and packing of goods and materials in accordance with appropriate procedures and/or regulations;

- unload inbound shipments safely and move product to storage locations, efficiently stacking and storing the product in the appropriate area;
 - pull and prepare product for shipment ensuring the exact number and type of product is loaded and shipped, performing picking duties in an efficient manner which meets customer service standards;
 - preparation and receipt of appropriate documentation including liaison with suppliers;
 - allocating and retrieving goods from specific warehouse areas;
 - basic VDU operation;
 - periodic housekeeping and stock-checks;
 - operates company small delivery vehicle;
 - operates non-licensed materials handling equipment;
 - operates radio frequency data terminals; and
 - maintains a clean, neat and orderly work area, conducting operations in a manner which promotes safety.
- An employee at this level may also operate materials handling equipment requiring a licence for training purposes only.

Skills/Duties - Transport

- Driver of a car or small rigid vehicle up to and including 1.5 tonnes;

DISTRIBUTION FACILITY EMPLOYEE - GRADE 2

Skills/Duties

In addition to possessing the warehousing skills and duties outlined in Grade 1:

- Able to work from complex instructions and procedures;
- Able to co-ordinate work in a team environment under limited supervision;
- Competent keyboard skills;
- Responsible for the quality of their own work;
- Possesses sound interpersonal and communication skills;
- Understands and is responsible for quality control standards;
- Must be competent to perform one or more of the following tasks/duties, as required, or a combination thereof:
 - inventory and distribution facility control
 - licensed operation of all appropriate materials handling equipment in a safe and efficient manner;
 - load, unload, move, stack and stage product and materials using a forklift, clamp truck or other power equipment, maintaining the facility's equipment in a neat, clean and orderly fashion and inspecting and performing minor maintenance on appropriate materials handling equipment;

- preparation of freight with all appropriate paperwork ready for handover and delivery, including weighing, cubing and preparation of freight notes
 - use of tools and equipment within the warehouse (basic non-trades maintenance);
 - use of a VDU for purposes such as the maintenance of a deposit storage system, information input/retrieval system, warehouse/transport management system;
 - assist in physical inventories and ensure proper stock rotation;
 - check or count stock for accuracy and/or damage and infestation;
 - performs sorting, scanning and noting of products that move through the distribution facility;
 - maintains a clean, neat and orderly work area, conducting operations in a manner which promotes safety.
 - respond to customer requests concerning freight delivery, availability and location in a professional and courteous manner, as instructed by the Team Leader or Supervisor;
 - make and receive telephone calls and operate the two-way radio, as instructed by the Team Leader or Supervisor
 - keep appropriate records and reports to guarantee that tight inventory control and security are maintained;
- In addition to the above, may be responsible for the proper application and maintenance of appropriate occupational health and safety standards and may possess a duly recognised first-aid certificate

Skills/Duties - Transport

In addition to being capable of driving the vehicles specified in Grade 1:

- Driver of a 2-axle rigid vehicle between 4.6 and 15 tonnes GVM;
- Driver of a forklift with a lifting capacity between 4.6 and 9 tonnes lifting capacity.

WAREHOUSING AND DISTRIBUTION EMPLOYEE - GRADE 3

Skills/Duties - Transport

In addition to being capable of driving the vehicles specified in Grades 1 and 2:

- Driver of a 3-axle rigid vehicle up to 22.5 tonnes GVM;

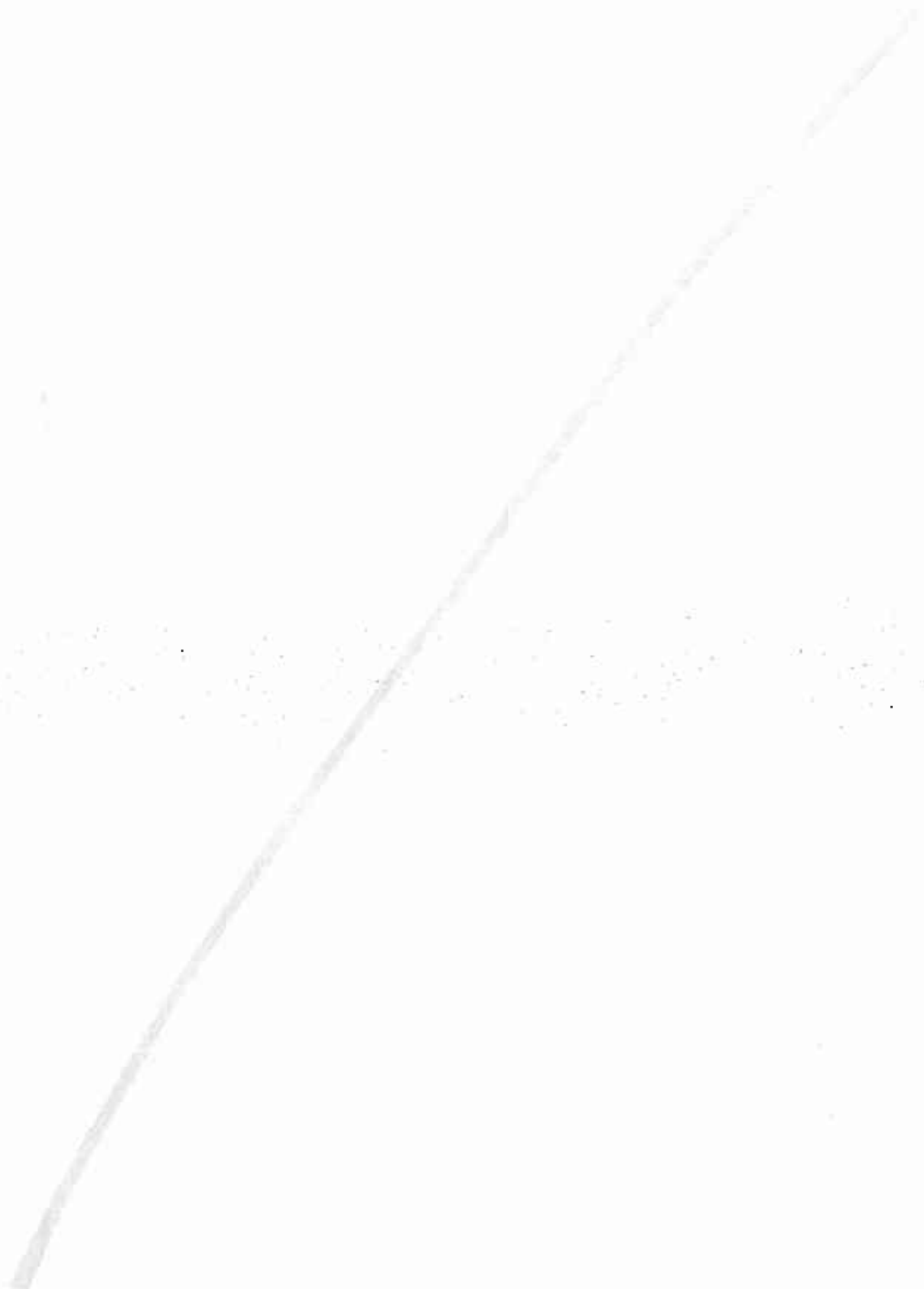
WAREHOUSING AND DISTRIBUTION EMPLOYEE - GRADE 4

Skills/Duties - Transport

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In addition to being capable of driving the vehicles specified in Grades 1, 2 and 3:



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- Driver of a 4-axle rigid vehicle;
- Driver of a 3-axle articulated vehicle up to 24 tonnes GCM;
- Driver of a 3-axle rigid vehicle and heavy trailer combination.

WAREHOUSING AND DISTRIBUTION EMPLOYEE - TEAM LEADER

Skills/Duties

In addition to possessing the warehousing skills and duties outlined in Grades 1 and 3:

- Sound working knowledge of all distribution facilities duties and functions performed at levels below this grade;
- Exercises discretion within the scope of this grade;
- Implements quality control techniques and procedures;
- Understands and is responsible for a distribution facility or a large section of a distribution facility;
- Highly developed level of interpersonal and communication skills;
- Ability to supervise and provide direction and guidance to other employees including the ability to assist in the provision of on-the-job training and induction;
- Exercises discretion within the scope of this grade;
- Exercises skills attained through the successful completion of an appropriate certificate and must be competent to perform one or more of the following tasks/duties, as required, or a combination thereof:
 - liaising with management, suppliers and customers with respect to distribution facility operations;
 - detailing and co-ordinating the activities of other distribution facility workers,
 - maintaining control registers including inventory control and being responsible for the operation and reconciliation of regular reports of stock movement, dispatches etc.;
 - development and refinement of a distribution facility layout including proper location of goods and their receipt and dispatch;
 - work allocation to transport and preparation of transport work schedules
 - supervise the loading of vehicles
 - respond to customer requests concerning freight delivery, availability and location in a professional and courteous manner
 - make and receive telephone calls and operate the two-way radio, as required

21. WAGE RATES

The following wage rates shall apply from the date of commencement of this Agreement:

LEVEL	WEEKLY WAGE
1	\$485.40
2	\$496.75
3	\$506.65
4	\$532.15
Team Leader	\$538.55

The following wage rates shall apply from the first full pay period commencing on or after 1 February 1999, and shall remain in force for the remainder of the life of this Agreement:

LEVEL	WEEKLY WAGE
1	\$509.70
2	\$521.60
3	\$532.00
4	\$558.75
Team Leader	\$565.50

22. INCOME PROTECTION

The parties commit to discussing the feasibility of an income protection scheme.

23. DISPUTE SETTLEMENT PROCEDURECommitment to Procedure

The Parties shall take all necessary steps to ensure that delegates, officers, officials, Employees/Union members and Company executives and staff follow the procedure set out below. The intention being that any disputes shall be promptly resolved by discussions in good faith without work restrictions, bans or stoppages occurring.

The Parties shall respectively notify each other as soon as possible of any industrial matter that might give rise to a dispute.

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The Procedure

- (a) In the event of any dispute or difficulty arising at job level, the employee and his immediate Supervisor shall immediately confer and attempt to resolve the matter without delay. A Union Delegate will be present if requested by the employee concerned.
- (b) If no agreement is reached, the Delegate shall discuss the matter in dispute with the Site Manager. At this stage the Delegate or Site Manager may request the involvement of the Operations Manager and/or the Union Organiser.
- (c) If the matter in dispute remains unresolved the Delegate may seek to involve the company's Industrial Relations staff in the matter.
- (d) If no resolution is forthcoming, the TWU State Secretary may seek discussion with the appropriate Company representatives.

Right to Refer to the NSW Industrial Relations Commission

The above steps shall not preclude reference of a dispute to the NSW Industrial Relations Commission at any stage of this procedure if a party believes it necessary and to engage in conciliation and arbitration if necessary.

Continuity of Work

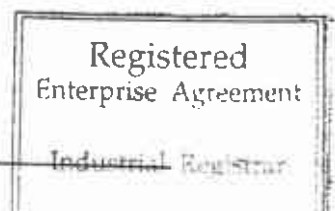
Pending the completion of the procedure set out in this Clause, work shall continue without disruption.

Preservation of Rights

The ultimate terms of settlement of the dispute shall not be affected in any way nor shall the rights of any person involved in or affected by the dispute be prejudiced by the fact that work has continued without disruption.

Decision of NSW Industrial Relations Commission to be Binding

The decision of the NSW Industrial Relations Commission shall be accepted and adhered to by all Parties subject to their appeal rights under the Act.



24. SIGNATORIES

SIGNED for and on behalf of TNT Communication)
Logistics a division of TNT Australia Pty Ltd)
ACN 000 495 269 by)

H. J. Cobby

In the presence of)

B. G. Werten

Date: 20/1/99

SIGNED for and on behalf of the Transport)
Workers Union of Australia (New South Wales)
Branch) by)

[Signature]

In the presence of)

[Signature]

Date: 1.2.99.

