

**REGISTER OF
CONTRACT AGREEMENTS**

CONTRACT AGREEMENT NO: CA02/1

**TITLE: The Contract Carriers (Fairfax Printers Pty Limited) Agreement
2001**

I.R.C. NO: 2001/7656

DATE APPROVED/COMMENCEMENT: 12 December 2001

TERM: 12 December 2004

**NEW AGREEMENT OR
VARIATION:** New

GAZETTAL REFERENCE: 24 May 2002

DATE TERMINATED:

NUMBER OF PAGES: 25

COVERAGE/DESCRIPTION OF

EMPLOYEES: To apply to Contract Carriers operating from the Company's business at Lot 12 Hume Highway, Chullora or other company locations.

PARTIES: Fairfax Printers Pty Limited -&- New South Wales Road Transport Association Inc

New South Wales Road Transport
Association

and

Fairfax Printers Pty Limited

**The Contract Carriers
(Fairfax Printers Pty Limited)
Agreement 2001**

Registered
Contract Agreement
Industrial Registrar

1. Incidence and Duration

1.1 This Agreement:

- (a) applies to all Core and Non Core Contract Carriers engaged by Fairfax Printers Pty Limited performing Contracts of Carriage in relation to its Business.
- (b) subject to clause 22.1 rescinds and replaces all prior agreements between the parties, whether or not registered under the Industrial Arbitration Act 1940, the Industrial Relations Act 1991 or the Industrial Relations Act 1996 including but not limited to the Contract Carriers (John Fairfax Publications Pty Limited) Contract Agreement 1997.
- (c) shall operate for a period of three (3) years from the Date of this Agreement.
- (d) will only be varied or terminated in accordance with the Act.

1.2 The parties acknowledge that it may be necessary for the Agreement to operate beyond the recognised expiry date of the Agreement to allow time for new distribution arrangements.

1.3 In the case an extension of the term of the Agreement is required by the Principal Contractor, a new rate structure will be renegotiated within the three (3) month period prior to the original contract termination date.

2. Purpose

2.1 The purpose of this Agreement is to:

- (a) encourage harmonious relations between the parties by developing a mutual understanding through consultation and co-operation; and
- (b) improve the efficiency and profitability of the Principal Contractor using best practice principles for the delivery of products for the benefit of all.



3. Definitions and Interpretation

3.1 In this Agreement, unless the contrary intention appears:

“Act” means the Industrial Relations Act 1996 (NSW) as amended from time to time.

“Additional Time” means the time worked by a Contract Carrier in excess of the rostered shift’s duration.

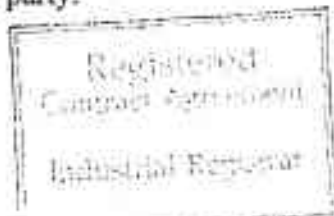
“Association” means the New South Wales Road Transport Association.

“Business” means the business of transporting and distributing products of the Principal Contractor and its Related Bodies Corporate from Lot 12 Hume Highway, Chullora or such other locations nominated by the Principal Contractor.

“Contract Carrier” means a person, sole trader, partnership, company or business who enters into a Contract of Carriage with the Principal Contractor in relation to its Business, and includes a sole trader, partnership or corporation as prescribed in section 309(1) of the Act.

“Confidential Information” means:

- (a) all confidential, non-public or proprietary information exchanged between the parties under this Agreement or during the negotiations preceding this Agreement;
- (b) all confidential, non-public or proprietary information relating to Fairfax Printers Pty Limited, its Related Bodies Corporate and their Business which is disclosed either during the negotiations preceding this Agreement or after execution of this Agreement; and
- (c) all confidential, non-public or proprietary information of Fairfax Printers Pty Limited or its Related Bodies Corporate relating to marketing, technology, products or production innovations and any information concerning Customers, but excludes information:
 - (i) which is in or becomes part of the public domain other than through breach of this Agreement; or
 - (ii) which a party can prove by contemporaneous written documentation was already known to it at the time of disclosure by the disclosing party.



“Consultative Committee” means the committee established by clause 5 of the Agreement.

“Contract of Carriage” has the meaning given to that expression by the Act.

“Core Contract Carrier” means a Contract Carrier who is engaged by the Principal Contractor as a Core Contract Carrier to provide Contracts of Carriage 7 days per week and who has entered into a Contract of Carriage with the Principal Contractor.

“Core Contractor’s Committee” means a committee of Core Contract Carriers who are elected or appointed by Core Contract Carriers to represent the interests of Contract Carriers.

“Customers” means customers of the Principal Contractor or its Related Bodies Corporate engaged in either the retailing or distribution of Products.

“Date of this Agreement” means the date this agreement is approved by the Industrial Relations Commission of New South Wales.

“Distribution Department” means the distribution department of the Principal Contractor.

“Distribution Manager” means the distribution manager of the Principal Contractor or a person nominated by the Distribution Manager to act in that role.

“New Product” means a new product that is distributed at the direction of the Distribution Manager.

“Non Core Contract Carrier” means a Contract Carrier who is engaged by the Principal Contractor as a Non Core Contract Carrier to provide Contracts of Carriage as required by the Principal Contractor, and who will enter into Contracts of Carriage in relation to the Business from time to time during the term of this Agreement, including on a shift by shift basis.

“Principal Contractor” means Fairfax Printers Pty Limited.

“Products” means all products authorised for carriage by Fairfax Printers Pty Limited and/or its Related Bodies Corporate.

“Related Bodies Corporate” has the meaning given to it in the Corporations Law.

“Vehicle” includes a motor lorry.



- 3.2 Where the context so requires, a reference to the "Contract Carrier" shall refer to the driver performing the obligations of a Contract Carrier pursuant to the Contract of Carriage.

4. Consultation and Continuous Improvement

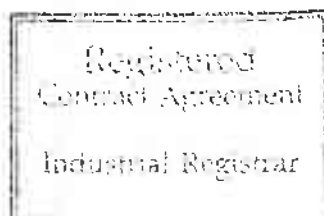
- 4.1 The parties are committed to promoting involvement and consultation of Contract Carriers in the Business so that customer service levels are continuously improved.

Customer service in this context pertains to all matters in the distribution of products.

- 4.2 The parties acknowledge the need to ensure on time delivery of Products.
- 4.3 The parties acknowledge the need to continuously improve the efficiency of the distribution system.
- 4.4 The parties acknowledge that the Principal Contractor will undertake performance reviews of all Contract Carriers regularly to ensure that Customers receive the best service possible from Contract Carriers.
- 4.5 The parties acknowledge that the application of new technology to the method of distribution of products is inevitable.
- 4.6 The parties acknowledge that critical to the application of new technology is the need for reasonable notice of its implementation, discussion on the designed effect of the technology and the development of skills required to support its safe and legal use.
- 4.7 The parties acknowledge that Contract Carriers will not, for their part unreasonably refuse the use of new technology.

5. Consultative Committee

- 5.1 A joint committee consisting of two (2) management representatives of the Principal Contractor and two (2) Core Contract Carriers shall be established to ensure that:
- (a) workplace problems where practical are resolved through discussions between the Principal Contractor and Contract Carriers; and
 - (b) there is consultation regarding matters involving changes to the organisation or performance of work.
- 5.2 The Consultative Committee will make recommendations to the appropriate person or decision making body of the Principal Contractor.



6. Working Arrangements

6.1 A Core Contract Carrier must:

- (a) be available to enter into Contracts of Carriage with the Principal Contractor in relation to the Business seven days per week; or
- (b) provide a replacement driver with a Vehicle to enter into Contracts of Carriage with the Principal Contractor in relation to the Business seven days per week.

6.2 Availability

A Contract Carrier must:

- (a) when taking rostered shifts off for reasons other than sickness or mechanical failure (which circumstances are dealt with in clause 6.2(c) below) provide no less than 72 hours notice of their unavailability to perform a shift or shifts. This notice will enable the Core Contractor's Committee to arrange a replacement driver for the nominated shift or shifts.
- (b) advise the Core Contractor's Committee by 8.30 pm prior to the commencement of the shift that they are not able to fulfil that shift due to extenuating circumstances
- (c) contact the Fairfax Printers Dispatch Office as soon as practicable if, after 8.30 pm the Contract Carrier cannot commence their rostered shift due to illness, mechanical breakdown or other unexpected circumstance.
- (d) A repeated failure by a Contract Carrier to make the appropriate notification under this sub clause will lead to disciplinary action under Clause 18 of this agreement.

6.3 Where the Core Contractors' Committee is unable to replace the driver in clause 6.2(b), the Core Contract Carrier must arrange for a replacement driver.

6.4 The Principal Contractor and Non Core Contract Carriers will enter into Contracts of Carriage in relation to the Business from time to time during the term of this Agreement, including on a shift by shift basis.

6.5 The Principal Contractor in no way guarantees the Non Core Contract Carrier any amount or quantity of work or level of earnings and has made no representations suggesting the same.



7. Delivery Duties of Contract Carriers and Principal Contractor

7.1 A Contract Carrier must, when entering into a Contract of Carriage with the Principal Contractor in relation to the Business,;

- (a) be ready for work at the time nominated as the commencement of shift AND load available Products (such as External Products and Australian Financial Review) as soon as practicable after the time nominated as the commencement of a rostered shift;
- (b) load or supervise the loading of the vehicle;
- (c) secure or supervise the securing of Products to be delivered;
- (d) count Products as they are loaded onto the Vehicle;
- (e) notify the Distribution department immediately of any shortage of stock or over supply;
- (f) account to the Principal Contractor for all Products provided;
- (g) deliver Products in the order specified by the Principal Contractor;
- (h) ensure the Products delivered to each Customer comply with the relevant Circulation Distribution manifest;
- (i) depart immediately after all Products are loaded and secured;
- (j) protect the Products in the event of wet weather;
- (k) distribute posters as required by the Principal Contractor;
- (l) ensure that all relevant delivery documentation is delivered to Customers at the time of delivering the Products;
- (m) follow the systems provided by the Principal Contractor, subject to training in use of the systems and any occupational health and safety considerations;
- (n) deliver only Products as authorised by the Principal Contractor;
- (o) be contactable at all times during their nominated shift;
- (p) report all variances/discrepancies to any person nominated by the Principal Contractor so that correction/adjustment can be made;
- (q) deliver the Products in the same condition as when loaded; and
- (r) stack all Products upon delivery in a manner that enables rapid counting of supply.



7.2 The Principal Contractor must when entering into a Contract of Carriage with the Contract Carrier in relation to the Business:

- (a) designate areas for the collection of all Products;
- (b) ensure that all Products are available in the designated area for the Contract Carrier;
- (c) ensure that poster packages are available for each route and will be left in the designated area for the Contract Carrier;
- (d) make available a person nominated by the Principal Contractor who will be authorised to make decisions regarding discrepancies and the departure time of the Contact Carrier and the manner in which those discrepancies will be dealt with;
- (e) ensure all discrepancies will be recorded along with the actual departure time and the period of the delay;
- (f) ensure a discrepancy log is lodged with the Dispatch and Distribution Departments on a daily basis.

7.3 Sub clause 7.2 (c) will be implemented 6 months after the date of agreement. If this change cannot be implemented within this time, the Principal Contractor will hold further discussions with Core Contractors' Committee.

8. Availability of a Suitable Vehicle

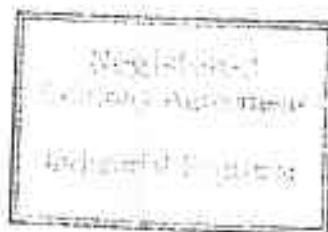
8.1 The parties acknowledge and agree that any Vehicle used to perform a Contract of Carriage in relation to the Business:

- (a) needs to reflect an image of quality; and
- (b) will provide the level of performance and necessary reliability to consistently allow Contract Carriers to carry out their obligations under this Agreement and the relevant contracts of carriage.

8.2 A Contract Carrier must ensure that any Vehicle used to perform a Contract of Carriage is registered under applicable legislation and regulations and that all necessary insurances are in force with respect to the Vehicle.

8.3 A Core Contract Carrier must:

- (a) keep the Vehicle in a mechanically sound, roadworthy and clean condition; and
- (b) repair an unserviceable Vehicle as soon as practicable.



- 8.4 [Subject to clause 6.2,] a Core Contract Carrier who is unable to report for work with a serviceable Vehicle must inform the Principal Contractor of the reason for the inability to report for work and the anticipated period of inability to report for work by 4:00 pm prior to which a Contract Carrier is to commence a shift or shifts or as soon as possible.

9 Contract Rate Structure

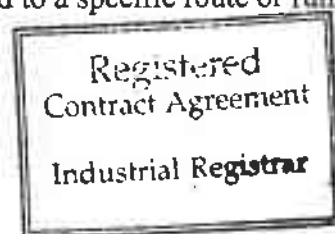
- 9.1 The Principal Contractor will pay Core and Non Core Contract Carriers for Contracts of Carriage performed in accordance with Annexure A.
- 9.2 The Principal Contractor will pay a Core Contract Carrier by electronic funds transfer on a weekly basis.
- 9.3 The Principal Contractor will pay a Non Core Contract Carrier by electronic funds transfer on a weekly basis.

10 Alcohol and Drug Consumption

- 10.1 A Contract Carrier must not consume alcohol or illegal drugs or be under the influence of alcohol or illegal drugs during the performance of duties under a Contract of Carriage in accordance with the Road Safety (Safety and Traffic Management) Act 1999 (NSW) as amended or varied from time to time.
- 10.2 The Principal Contractor may request that the Contract Carrier use a breathalyser which will be available at the Principal Contractor's establishment to determine whether alcohol has been consumed and whether the Contract Carrier is able to perform their duties under the Contract of Carriage.
- 10.3 In the event that the Contract Carrier refuses to undertake the breath analysis the Principal Contractor will advise the Contract Carrier that its vehicle will not be loaded and it will not be required to perform the duties previously allocated by the Principal Contractor. The Principal Contractor will not pay a Contract Carrier who refuses to undertake a breathalyser test or is found after testing to exceed the blood alcohol levels prescribed by the law.

11 Allocation of Work

- 11.1 The Principal Contractor and the Core Contractors' Committee shall consult on the safest most effective (ie based on considerations of time, cost and quality) and equitable manner for resourcing and allocating work from time to time.
- 11.2 A Contract Carrier will not be entitled to a specific route or run.



12 Insurances

- 12.1 The Principal Contractor must obtain and maintain:
- (a) adequate insurance cover against the liability of itself, and each Contract Carrier for loss of or damage to Product; and
 - (b) an industry standard public liability insurance of up to five (5) million dollars.
- 12.2 The Principal Contractor shall be liable for loss or damage to Product unless such loss or damage arises as a result of a Contract Carrier's breach of its obligations under this Agreement or its negligence or wilful misconduct, in which case the Contract Carrier will be liable.
- 12.3 A Contract Carrier must obtain and maintain in a form acceptable to the Principal Contractor:
- (a) a comprehensive motor vehicle insurance policy or comprehensive third party insurance policy over any Vehicle used to perform a Contract of Carriage in relation to the Business, including adequate cover for third party property damage in respect of all accidents; and
 - (b) such workers' compensation insurance cover as required by law.
- 12.4 A Contract Carrier must provide the Principal Contractor with copies of all policies referred to in clauses 12.1 and 12.3 within twelve (12) weeks from entering into a Contract of Carriage with the Principal Contractor and thereafter annually from the Date of this Agreement.

13 Indemnity

- 13.1 Each Contract Carrier indemnifies and will keep indemnified the Principal Contractor against any liability or loss arising from, any claim, cost, expense, loss or damage incurred by the Principal Contractor in connection with:
- (a) Any failure by the Contract Carrier, or employee or subcontractor of a Contract Carrier, to observe its obligations under the Agreement;
 - (b) Any act of default or negligence by a Contract Carrier, or employee or subcontractor of a Contract Carrier, in the provision of services under this Agreement; or
 - (c) Any claims, demands, proceedings, suits, or actions made or taken by any employee or subcontractor of a Contract Carrier including, without limitation, legal costs on a full indemnity basis.



- 13.2 Each Contract Carrier acknowledges that the indemnity in clause 13.1 is in addition to the obligation of a Contract Carrier to insure under 12.3 and that the Principal Contractor is under no obligation to seek recovery under any such insurance before seeking recovery under the indemnity in clause 13.1.

14 Confidential Information

- 14.1 A Contract Carrier must maintain the confidentiality of Confidential Information and must not disclose such Confidential Information to any person unless required by law.

15 Occupational Health and Safety Practices

- 15.1 A Contract Carrier must observe and conform with the Principal Contractor's Safety and Operative Practices, rules, policies and terms of induction as amended from time to time and applicable occupational health and safety legislation as amended from time to time.

16 General

- 16.1 This Agreement does not constitute any form of contract of employment or partnership between the Principal Contractor and a Contract Carrier or between the Principal Contractor and an employee or subcontractor of a Contract Carrier.

17 Personnel engaged by Contract Carriers

- 17.1 A Contract Carrier must control and supervise drivers and other personnel engaged by the Contract Carrier.
- 17.2 Subject to this Agreement a Contract Carrier will retain all normal rights, powers and responsibilities of an employer including in relation to remuneration, termination of service, hours of service, places of performance, provision of employment entitlements and such other rights, duties and responsibilities as are imposed by law, award or industrial agreement.
- 17.3 A Contract Carrier must comply with all requirements as to payroll tax, workers compensation, group tax, Goods and Services Tax (GST) or any other taxes or levies in relation to all drivers and other personnel engaged by a Contract Carrier in carrying out this Agreement.



18 Discipline

18.1 If the Principal Contractor is satisfied that a Contract Carrier has breached this Agreement, the Principal Contractor may among other things do any one or more of the following:

- (a) direct the Contract Carrier to rectify the problem;
- (b) counsel the Contract Carrier;
- (c) issue a verbal warning to the Contract Carrier that the subsequent breach will involve more serious disciplinary action;
- (d) issue a formal letter of warning to the Contract Carrier indicating that a subsequent breach of the Agreement will result in the Principal Contractor terminating the Contract of Carriage with the Contract Carrier; and
- (e) suspend temporarily the Contract of Carriage with the Contract Carrier.

19 Customer Service

19.1 (a) The Principal Contractor will monitor discrepancies in the delivery of the Products on an "overs and unders" basis in relation to each Contract Carrier.

(b) Where a consistent pattern of discrepancies emerge in relation to any Contract Carrier, the Principal Contractor will investigate the discrepancies.

(c) Where the discrepancies are linked to the conduct of the Contract Carrier, disciplinary action will be taken.

19.2 Where the Products are damaged or lost due to the conduct of a Contract Carrier, the Contract Carrier must pay to the Principal Contractor an amount equal to the loss and cost incurred by the Principal Contractor.

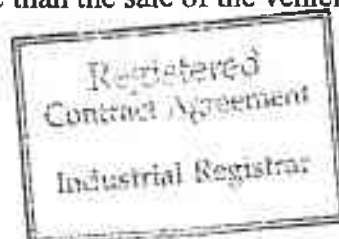
20 Termination of Contract

20.1 The Principal Contractor may immediately terminate the engagement of a Contract Carrier on the grounds of serious misconduct, incompetence, negligence, or fraudulent or criminal behaviour.

20.2 Notwithstanding clause 20.1, the engagement of a Core Contract Carrier may be terminated by either party for any reason by the provision of twelve weeks written notice or payment in lieu of such notice.

21 Goodwill

- 21.1 Under no circumstances may a Contract Carrier sell the Vehicle which has been used to perform Contracts of Carriage in relation to the Business with work. No goodwill, premium or fee will attach to any Vehicle utilised for the performance of any Contract of Carriage performed in relation to the Business.
- 21.2 The Principal Contractor is entitled to terminate the engagement of a Contract Carrier in accordance with clause 20, Termination of Contract, without compensating the Contract Carrier with respect to:
- (a) any goodwill, premium or fee paid by that Contract Carrier on commencement of performing Contracts of Carriage in carting Products for the Principal Contractor; or
 - (b) any expectation (arising out of the payment by any person of goodwill, premium or fee on commencing performing Contracts of Carriage for the Principal Contractor) that the Contract Carrier would be entitled to receive goodwill, a premium or fee from an incoming Contract Carrier.
- 21.3 The rights and interests of each Contract Carrier to perform Contracts of Carriage for the Principal Contractor in relation to the Business are personal to the Contract Carrier and cannot be sold, assigned, subcontracted or transferred by the Contract Carrier.
- 21.4 At any time a Core Contract Carrier must inform the Principal Contractor of its intention to sell a Vehicle which has been used by the Core Contract Carrier in any Contract of Carriage with the Principal Contractor.
- 21.5 Upon the Principal Contractor being informed of the Core Contract Carrier's intention to sell a Vehicle which has been used by the Core Contract Carrier in any Contract of Carriage, the Principal Contractor will provide a letter in the terms of Annexure "B" to the Core Contract Carrier and a letter in the terms of Annexure "C" to the prospective purchaser.
- 21.6 In any dealings, negotiations, contracts or arrangements of any kind with a potential purchaser of any Vehicle which has been used by a Contract Carrier to perform Contracts of Carriage in relation to the Business a Contract Carrier must not at any time make any oral or written representation:
- (a) concerning the Contracts of Carriage offered by the Principal Contractor to the Contract Carrier including, but not limited to, any oral or written representations concerning the nature or quantity of the work or the remuneration derived therefrom; or
 - (b) that suggest that the Contract Carrier is offering a transaction which involves anything more than the sale of the vehicle at its market value.



21.7 Each Contract Carrier will indemnify the Company in respect of all claims, demands, actions, proceedings and damages arising from any breach of clause 21.6.

21.8 Where a Contract Carrier has purchased, or has signified its intention to the Principal Contractor that it will purchase, a Vehicle for the Cartage of Goods from any person who has at any time previously entered into a Contract of Carriage with the Contract Carrier in relation to the Business, the Contract Carrier will be deemed to have purchased the vehicle at its market value.

22. Goodwill Annuity

22.1 The Contract Carriers set out in Annexure "D" have separately entered into deeds of release to settle all claims in respect of Goodwill for prior Contracts of Carriage agreements.

23. Paid recreation break and service fee

23.1 No Contract Carrier shall have entitlement to annual leave or a paid recreation break or payment in lieu of annual leave or a paid recreation break. Any accrued entitlement to annual leave under Clause 8 of the Industrial Agreement No. 5 of 1990 does not have any effect after the date of approval of the Agreement preceding this Agreement.

23.2 No Contract Carrier shall have any entitlement to a service fee under Clause 5 of the Industrial Agreement No 5 of 1990 or payment in lieu of a service fee. Any entitlement to a Service Fee under Clause 5 of the Industrial Agreement No 5 of 1990 does not have effect after the date of approval of the Agreement preceding this Agreement.

23.3 The Core Contract Carriers nominated in Annexure "D" receive a payment detailed in Annexure "A" of this agreement for the loss of any entitlements under Clause 5 or Clause 8 of the Industrial Agreement No 5 of 1990.

24. Grievance Procedure

24.1 The parties acknowledge that any disputes will be resolved promptly by discussions in good faith without interruptions to the Business.

24.2 In the event of a dispute occurring the Contract Carrier shall discuss the matter with the Core Contractor's Committee. The Core Contractor's Committee will immediately confer and attempt to resolve the matter without delay.

24.3 If the matter is not resolved within a reasonable time, it shall be referred to the Distribution Manager of the Principal Contractor.



24.4 If the matter is not resolved within a reasonable time it shall be referred to the NSW Employee Relations Manager for Fairfax Publications Pty Limited or such other person nominated by the NSW Employee Relations Manager for Fairfax Publications Pty Limited.

24.5 If the matter is not resolved within a reasonable time it shall be referred to the Industrial Relations Commission.

24.6 During the grievance procedure, the Principal contractor and the Contractor's Committee and the Contract Carriers shall not undertake industrial action against the other party. Contracts of Carriage will be maintained until a resolution is reached.

25. Contracts of Carriage Guarantee

25.1 The Contract Carriers must not stop or delay the distribution of the Principal Contractor's Products as a result of industrial action of Contract Carriers during the operation of this Agreement.

25.2 The Contract Carriers agree that during an industrial dispute, contracts of Carriage will be maintained, by supplying the minimum number of Contract Carriers required to perform services referred to in clause 4.2 and clause 7.1.

26. Leave Reserved

Leave is reserved for the parties to renegotiate rates for New Products (as defined in Clause 3 of this Agreement) carried by a Contract Carrier for the Principal Contractor after the commencement of this Agreement.



Executed by the parties as an Agreement on

THE COMMON SEAL
of FAIRFAX PRINTERS
PTY LIMITED
was affixed to this document
In the presence of:



[Signature]
Secretary/Director

[Signature]
Director

Carolyn Learoyd
Name (please print)

Carl Hamby
Name (please print)

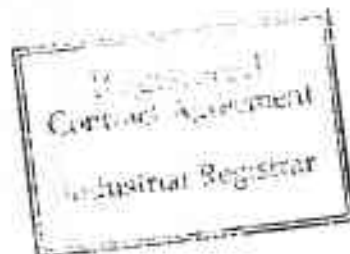
THE COMMON SEAL
of THE NEW SOUTH WALES ROAD
TRANSPORT ASSOCIATION
was affixed to this document
In the presence of:

[Signature]
Secretary/Director

[Signature]
Director

MARTIN .G. IFFLAND
Name (please print)

TM DENK
Name (please print)



Annexure "A"

Rate Structure

1. Objectives

This Annexure contains the rates to be paid to Contract Carriers who provide services pursuant to a Contract of Carriage.

The objectives of the parties to this Agreement in establishing the rates contained in this Annexure were:

- 1.1 to establish an understood formula for the calculation and adjustment of both the labour and cost of capital component in the rates.
- 1.2 To establish a rate structure and conditions of engagement that did not disadvantage Contract Carriers at the time this Agreement was registered.
- 1.3 To ensure Contract Carriers receive regular reviews of the labour and cost of capital to ensure fairness and equity.

2. Components of the Contract Carrier's Rate

- 2.1 The parties have agreed that a rostered shift under this Agreement is of 6 hours duration to be worked at a time nominated by the Principal Contractor.

Shifts of less than 6 hours exist to meet particular circumstances and these are specified in clause 11.2 of this Annexure.

- 2.2 The base shift rate is made up of two components. These components and their relativity to the base shift rate at the commencement of this Agreement were:

- a. The labour component was 65.20% of the base shift rate
- b. The cost of capital component was 34.80% of the base shift rate.

- 2.3 The agreed dollar value of the base shift rate components from the date of agreement is:

- a. The labour component is \$124.20 per shift
- b. The cost of capital is \$66.28. per shift



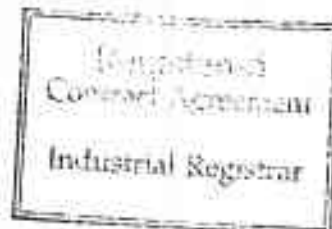
- 2.4 The parties have agreed that these relativities were used to establish the base shift rate at the commencement of this Agreement. Further, the parties have agreed that these relativities shall not be maintained during the life of the Agreement or used as the basis for a variation of the base shift rate.

3. Components of the cost of capital

- 3.1 The cost of capital component in the base shift rate is made up of the following:
- a. Fuel – comprises 47.0% of the cost of capital component
 - b. Capital Costs – comprises 36.6% of the cost of capital component
 - c. Repairs and Maintenance/Tyres – comprises 16.4% of the cost of capital component
 - d. Tyres – Merged with the Repairs and maintenance Consumer Price Index (CPI) by the Australian Bureau of Statistics (ABS) in September 2000
- 3.2 The parties have agreed that the cost of capital components will be varied in accordance with positive and negative movements in the nominated Consumer Price Index (CPI) transportation indicators in accordance with clause 4.2 of this annexure.

The nominated CPI transportation indicators are:

- a. Fuel – automotive fuel index;
- b. Capital Costs – The retail price of a Ranger six Long truck. As at 14 February 1997 this retails for \$63,000 (National Fleet Price) now with sides (value \$2500) at \$65894;
- c. Repairs and Maintenance -- Vehicle service, repairs and parts index; and
- d. Tyres – Merged with the Repairs and maintenance CPI index by the Australian Bureau of Statistics (ABS) in September 2000.



4. Variation of the base shift rate components

The parties have agreed to vary the labour and cost of capital components in accordance with the following:

4.1 Labour

The parties have agreed that the Labour component shall be the following dollar amounts as a consequence of the nominated percentage increase being applied.

| Date | Value (\$) |
|-------------|--|
| 2001* | \$124.20 per shift (3.0 percent increase) |
| 1 July-2002 | \$127.90 per shift (3.0 percent increase) |
| 1 July 2003 | \$131.75 per shift (3.0 percent increase) |

*The labour rate will apply from the first pay period on or after the date of this Agreement.

The parties have agreed that the above increases in the labour component are in place of or absorb and are not in addition to rates movements in both the Transport Industry Awards or Transport Industry – General Carriers Contract Determinations.

4.2 Cost of Capital

The Cost of Capital components will be reviewed at 6 month intervals during the life of this Agreement, commencing from 1 January 2002

5. Supplementary payments for Core Contract Carriers

5.1 The Core Contract Carriers named in Annexure "D" of the Agreement shall receive in addition to the base shift rate for the carriage of Products pursuant to clause 5.4 of this annexure a supplementary payment.

5.2 The supplementary payment is to compensate for the loss of paid leave entitlements paid under Industrial Agreement No. 5 of 1990. These entitlements include a service fee, rostered days off, annual leave loading, uniform allowance and the absorption of a weekly sundry payment.

5.3 A Core Contract Carrier shall not be entitled to receive more than 6 supplementary payments in a week.



- 5.4 The supplementary payment will increase to \$28.93 per shift from the date of this Agreement. The Principal Contractor shall increase the supplementary payment at the same time and by the same percentage increase as the labour component in clause 4.1 of this annexure.

6. Sunday labour component loading

- 6.1 A Contract Carrier required to perform a Contract of Carriage on a Sunday shall receive a Sunday labour component loading in addition to the base shift rate.
- 6.2 The Sunday labour component loading is equal to 75 percent of the labour component contained in clause 4.1 of this annexure.
- 6.3 For the purpose of this clause 6, "Sunday" shall mean any shift the greater part of which is performed after 12:00 midnight Saturday.

7. Saturday Loading

- 7.1 A Contract Carrier required to perform a Contract of Carriage for the delivery of Saturday Products shall receive a loading of \$24.10. This loading is paid in addition to the Labour and Cost of Capital components.
- 7.2 The Saturday Loading will not apply to contract carriers who deliver the Sydney Morning Extra (SME) or the Sun Herald on a Blitz run.
- 7.3 The Saturday Loading will not be included in calculating the additional time rate for contract carriers.
- 7.4 The Saturday loading will not increase during the life of this Agreement.
- 7.5 The Saturday loading will commence from the first Saturday falling after the date of agreement.



8. Rate structure for Contract Carriers

This clause shall specify the rates and allowances paid to Contract Carriers from the date of agreement.

8.1 A core Contract Carrier identified in Annexure D is entitled to claim a supplementary payment of \$28.93 (as increased from time to time) per shift worked Monday to Saturday. The supplementary payment does not apply to Non Core Contractors

8.2 Saturday

| | Core Contractors | Non Core Contractors |
|------------------|------------------|----------------------|
| Base shift rate | \$190.45 | \$190.45 |
| Saturday loading | \$24.10 | \$24.10 |
| Total | \$214.55 | \$214.55 |

8.3 When a contract carrier is required to work more than 6 hours on any day except a Sunday, each additional hour worked shall be paid at a rate that is equal to one sixth of the base shift rate for a Saturday.

9. Sunday

| | Core Contract Carrier | Non Core Contract Carrier |
|-----------------------|-----------------------|---------------------------|
| Base shift rate | \$190.45 | \$190.45 |
| Sunday labour loading | \$93.15 | \$93.15 |
| Total | \$283.60 | \$283.60 |

a. When a contract carrier is required to work more than the rostered 6 hours on a Sunday, the additional hours worked shall be paid at a rate that is equal to one sixth of the Total rate. (That is, the sum of the Base shift rate plus the Sunday labour loading.)

10. Public Holiday labour loading

10.1 A Contract Carrier required to perform a Contract of Carriage on a New South Wales Gazetted Public Holiday shall receive a public holiday loading equal to the labour component in the base shift rate specified in Clause 4.1.



11. SME, and Blitz conditions

- 11.1 Contract Carriers performing the SME run shall be engaged and paid for a minimum of 6 hours at the Monday to Friday rate.
- 11.2 Contract Carriers performing the Blitz run shall be engaged and paid for a minimum of 4 hours at the Sunday rate.

12. Excess Load Allowance

An excess load allowance will be paid to Contract Carriers for the following loads:

- 12.1 Contract Carriers will be paid \$20.00 per load for loads in excess of 4 tonnes and less than or equal to 4.25 tonnes.
- 12.2 Contract Carriers will be paid \$30.00 per load for loads in excess of 4.25 tonnes and less than or equal to 4.4 tonnes.
- 12.3 Contract Carriers will be paid \$40.00 per load for loads in excess of 4.4 tonnes and less than or equal to 4.6 tonnes.

13. Excess kilometre allowance

- 13.1 Contract Carriers shall be entitled to claim an excess kilometre allowance of 42 cents for each kilometre in excess of 525 kilometres in any one week.
- 13.2 Excess kilometres are calculated from the dock to the last agent on the contracted final route for each shift rostered.
- 13.3 Where a Contract Carrier's claim for an excess kilometre allowance is queried, the Contract Carrier will be required to demonstrate to the Principal Contractor that the kilometres claimed were driven under a Contract of Carriage.



Annexure "B"

(Fairfax Printers Letterhead)

Dear

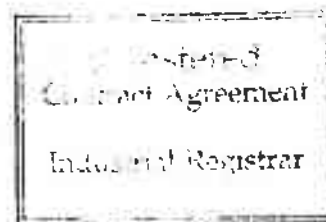
Re: Cartage Work for Fairfax Printers

You have notified Fairfax Printers Pty Limited (the "Company") that you no longer wish to provide cartage services to the Company ("Services"). I understand that you may wish to sell the truck which you have used to provide Services to the Company.

I take this opportunity to reinforce to you that no goodwill, premium or fee attaches to your truck or to your agreement to provide Services to the Company. You are, of course, entitled to sell your truck to a purchaser of your choice. The Company however, gives no assurances that it will provide any cartage work to the purchaser. If the Company contracts with the purchaser to provide cartage work this will be a result of separate negotiations between the purchaser and the Company.

I would also like to make it very clear to you that you are not entitled to make any comments to a prospective purchaser that could give that purchaser the impression that by purchasing your truck they are also purchasing a right to cart product for the Company.

Yours sincerely



Annexure "C"

(Fairfax Printers Letterhead)

Dear

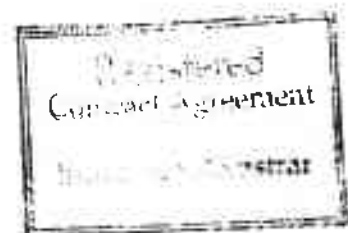
Re: Cartage Work for Fairfax Printers

It has come to my attention that you are considering purchasing the truck from () which he / she has been using to cart newsprint for Fairfax Printers Pty Limited (the "Company") out of its printing facility at Chullora.

The purpose of this letter is to make it clear to you that by purchasing Mr/Mrs ()'s truck you are not acquiring any right to receive ongoing cartage work from the Company. Whether the Company contracts with you to provide cartage work will be determined as a result of negotiations between yourself and the Company. This is completely independent of any transaction you may enter into with (). Whether or not you do receive cartage work from the Company depends upon a number of factors, including business conditions. Fairfax Printers gives you no guarantee of ongoing work or work for a set period of time.

I wish to make it quite clear that there is no custom or practice under which a purchase of a vehicle used for cartage work for the company pays a premium to the vendor. Accordingly there is no requirement you pay a premium for the truck. The price you pay for ()'s truck should reflect the market price of that vehicle. I suggest that before entering into a contract to purchase the truck you obtain an independent valuation of the vehicle.

Yours sincerely



Annexure "D"

| | | |
|-----|---------------------|------------------------------|
| 1. | Azevedo, John | Parala Close, Bangor |
| 2. | Azevedo, Tony | Modern Ave, Canterbury |
| 3. | Barnett, Rick | Burraneer Bay Rd, Cronulla |
| 4. | Bonning, Phil | Mt Vernon Rd, Kemps Creek |
| 5. | Bourke, Bill | Dudley St, Pagewood |
| 6. | Bulmer, Ray | Blanche St, Oatley |
| 7. | Bushnell, Brian | Murdoch Cres, Lugarno |
| 8. | Cochran, Ray | Horation Place, Plumpton |
| 9. | Cooper, Ron | Mountain Ave, Guildford |
| 10. | Cullen, John | Longleat Lane, Kurmond |
| 11. | Davis, Ron | Talara Rd, Gymea |
| 12. | Dunningham, Michael | Glenormond Ave, Abbotsford |
| 13. | Dunningham, Steve | Francis Rd, Terrigal |
| 14. | Dwyer, John | Byrne Ave, Fivedock |
| 15. | Fletcher, Barry | Edith St, Hurstville |
| 16. | Gardiner, Graham | Tennyson Rd, Gladesville |
| 17. | Gehl, Ron | Terry St, Arncliffe |
| 18. | Goodridge, Paul | Weston St, Panania |
| 19. | Herd, Steve | 5623b Oak Rd, Matcham |
| 20. | Main, Brian | Marco Ave, Panania |
| 21. | Marsh, Noel | Marsh Pde, Casuala |
| 22. | Matthews, Noel | Lyle St, Girraween |
| 23. | McPherson, Geoff | Gladstone Ave, Ryde |
| 24. | McPherson, John | Eagle St, Ryde |
| 25. | Meredith, Don | Russell Ave, Sans Souci |
| 26. | Pike, Colin | Beacon Ave, Glenhaven |
| 27. | Roberts, Mark | Mitchell Rd, Sackville North |
| 28. | Rochford, Keith | Forest Way, Frenchs Forest |
| 29. | Taylor, Perry | St George St, Bexley |
| 30. | Wickenden, Bob | Trevitt Rd, North Ryde |

