

REGISTER OF  
CONTRACT AGREEMENTS

CONTRACT AGREEMENT NO: CA02/15

TITLE: Cleanaway Industrial Services Frontlift Sub Contractor (MDR Pty Ltd) Agreement 2001

I.R.C. NO: 2002/654

DATE APPROVED/COMMENCEMENT: 28 March 2002/1 December 2001

TERM: 1 December 2004

NEW AGREEMENT OR  
VARIATION: New

GAZETTAL REFERENCE: 24 May 2002

DATE TERMINATED:

NUMBER OF PAGES: 21

COVERAGE/DESCRIPTION OF  
EMPLOYEES:

Applies to industrial waste services performed by contact drivers in the greater Sydney metropolitan area.

PARTIES: Brambles Australia Limited t/as Cleanaway (M.R.D. Pty Ltd) -&- the Transport Workers' Union of Australia, New South Wales Branch

# CLEANAWAY INDUSTRIAL SERVICES FRONTLIFT SUB CONTRACTOR AGREEMENT 2001

This agreement is made the

BETWEEN

Cleanaway (a division of Brambles Australia Ltd. ACN 000 164 938) located at Mamre Rd Erskine Park Sydney (Cleanaway)

& a. M.D.R. Pty Ltd.

b. The Transport Workers Union of Australia, NSW Branch on behalf of the contractor who is listed with signature appearing in schedule 6.

WHEREAS

Cleanaway is in the business of providing waste collection & associated transportation services within the waste collection and disposal industry in the Greater Sydney Metropolitan area.

Cleanaway is desirous of using the services of the subcontractor for the purpose of collection & transporting waste in the Greater Sydney Metropolitan area.

The parties have agreed that the terms and conditions hereinafter appearing shall apply to industrial waste services performed by contract driver in the greater Sydney metropolitan area.

NOW THIS AGREEMENT WITNESSES & THE PARTIES HERETO MUTUALLY AGREE AS FOLLOWS:--

1. TITLE

This agreement shall be known as the Cleanaway Frontlift sub contractors agreement 2001.

2. STATUS AND SCOPE

The making of this agreement provides to the Subcontractor engaged by Cleanaway under the terms of this agreement a contract for the term specified in Clause 3.13.1.



General undertakings by Cleanaway

*Cleanaway shall:*

**2.1 GENERAL**

- 2.1.1 Provide work in designated areas subject to change at the agreed rate specified in schedule 1. It is agreed between the parties that the rates specified in this agreement cover all aspects associated with the collection of waste from client sites, including but not limited to opening / closing / locking gates, etc
- 2.1.2 Pay relevant disposal fees.
- 2.1.3 Pay appropriate Waste Management Authority license fees.
- 2.1.4 Be responsible to pay the premiums pursuant to the Transport Workers Union Superannuation Fund. All new Subcontractors, (including subcontractors who purchase vehicles from pre existing contractors), after November 2001, are not entitled to receive Cleanaway funded superannuation.
- 2.1.5 Provide the Subcontractor with Cleanaway uniforms and personal protective equipment as required by Cleanaway. Replacement of uniforms, at no cost to the Subcontractor, will be on an as needs basis and subject to the return of used items. Uniforms provided to approved replacement drivers will be at subcontractors cost.
- 2.1.6 Subject to existing vacancies and compliance with job related criteria, contractors will be offered employment as company drivers in the event that the company decides to revert back to full company driver operations.
- 2.1.7 Supply vehicle specifications to the Subcontractor as required.
- 2.1.8 Have the right to arrange removal of the Subcontractors vehicle to a place of safe storage following a road accident or where a vehicle is bogged or disabled in a tip or on private property. This cost will be borne by the Subcontractor if it is assessed that the contractor (*or driver*) has caused the problem. This does not preclude the sub contractor from organising his own towing provided this occurs immediately and in consultation with Cleanaway operations department.

**2.2 MAINTENANCE**

- 2.2.1 Provide access to a facility for Subcontractors to wash their vehicle. Costs incurred by Cleanaway will be recharged to the contractor on a 50/50 basis.
- 2.2.2 Retain ownership and responsibility, other than for acts of negligence by the Subcontractor, for the maintenance of the body fitted to Subcontractors cab and chassis. As a company asset, this shall include obligations in respect to the insurance of the body and programmed maintenance.



- 2.2.3 Repaint vehicles when required by Cleanaway to maintain the Cleanaway image and pay for all signwriting & identification required by Cleanaway on the Subcontractors vehicle.
- 2.2.4 Provide suitably qualified staff at the following rates. These rates will be subject to revision at the same time as the rates for the services provided by the Subcontractor.

*Mechanic/Boiler maker*      \$38.44

### 2.3 PURCHASING

- 2.3.1 Provide fuel for sale at a rate to be determined, provided that the Subcontractor meets procedural requirements of the datafuel system or its equivalent.
- 2.3.2 Provide access for Subcontractor to purchase new replacement vehicle at prices negotiated by Cleanaway with suppliers. This does not preclude a contractor purchasing independently of Cleanaway.
- 2.3.3 Provide access to discount on the cost of spare parts where practicable. An administration charge of 10% on cost for all parts purchased will apply to a maximum of \$500.

### 2.4 REPLACEMENT VEHICLE

- 2.4.1 Subject to the following provide a spare vehicle, when available, for the Subcontractors use:-
  - 2.4.1 (a) *In the case where the Subcontractors vehicle is off the road due to a fault with the cab chassis, then Cleanaway will charge the Subcontractor at the rate of \$20 per hour, maximum \$200 in any 24 hour period (subject to revision) for the use of a spare vehicle.*
  - 2.4.1 (b) *In the event that the Subcontractors vehicle is off the road due to major repairs to the body then Cleanaway will provide a replacement vehicle, if available. The Subcontractor will be charged for the fuel used.*
  - 2.4.1 (c) *Where a Cleanaway vehicle is used as a replacement for any reason then a charge will be made against the Subcontractor for actual damage incurred whilst the replacement vehicle is in the Subcontractors possession for example but not limited to staked tyres, broken lights and windscreens.*
- 2.4.2 Repair any damage at Cleanaway expense, to the Subcontractors vehicle caused by malfunction of Cleanaway equipment.



### **3. GENERAL UNDERTAKINGS BY THE SUBCONTRACTOR**

*The subcontractor shall:*

#### **3.1 GENERAL**

- 3.1.1 Provide their vehicle suitably equipped, roadworthy and registered, to Cleanaway specifications.
- 3.1.2 Be the principal driver of the vehicle except where an acceptable temporary or longer-term replacement has been approved in writing by Cleanaway.
- 3.1.3 Hold a current driver's license of correct classifications for the purpose of performing this subcontract as required by law and provide to Cleanaway upon request.
- 3.1.4 Comply with all applicable Laws, Regulations and Statutes.
- 3.1.5 Tip waste in disposal sites as directed by Cleanaway.
- 3.1.6 Exercise maximum skill and care to assure the pick up and disposal of waste is carried out to the required standard of the company, including courtesy, on time reliability, highest standard of customer service.
- 3.1.7 While engaged by Cleanaway not operate any business/s that are in competition with Cleanaway.
- 3.1.8 Observe all operating procedures of Cleanaway that may be in existence from time to time and abide by all Cleanaway standards and accepted codes of practice regulations, drivers manual, Brambles Code of Conduct, accepted codes of practices including: Drivers operating procedures manual, induction and other on the job training, hazard identification and incident reporting as provided.  
The Subcontractor will ensure that relief drivers are aware of all relevant policies and procedures and that relief drivers will acknowledge their understanding and acceptance of the above in writing.
- 3.1.9 In all business and personal relationships, treat Cleanaway and its staff as a customer.
- 3.1.10 Clearly understand that they are and remain an independent Subcontractor and not an employee.



### 3.2 MAINTENANCE

- 3.2.1 Fully maintain, service and clean the vehicle as required by Cleanaway. Maintenance for both the Subcontractors vehicle and the Cleanaway body will be programmed by Cleanaway on the basis of hours and kilometre parameters as entered & processed into the maintenance system from information/data submitted daily by the Subcontractor.
- 3.2.2 Exercise maximum care in the use and operation of any Cleanaway equipment while it is in the care and control of the Subcontractor. Cleanaway equipment will be returned to Cleanaway in the same condition as it was received, fair wear and tear accepted.
- 3.2.3 Agree to replace cab chassis that are in excess of 8 years of age and are deemed by Cleanaway to be unreliable or past their economic life. In making this determination Cleanaway will give consideration to compliance with RTA requirements and downtime history and provide not less than 6 months written notice to Subcontractor that replacement is required.

### 3.3 TOLLS AND FINES

- 3.3.1 Pay road and bridge tolls on a 50/50 split basis. Cleanaway will consider reimbursement for excessive toll usage above 50 % on a case-by-case basis.
- 3.3.2 Pay all overweight fines. Cleanaway recognises that in many instances ascertaining the exact gross weight of the vehicle other than by going over a weighbridge is extremely difficult. In the event that the Subcontractor can demonstrate that reasonable care was taken and that the overloading is minor then Cleanaway will, with the approval of the Branch Manager, pay the fine on behalf of the Subcontractor. Reasonable care would include the reporting of overweight bins to Operations supervisor before they are carried.



### 3.4 SAFETY, HEALTH AND THE ENVIRONMENT

- 3.4.1 Ensure that working directors and any relief driver will wear the full uniform provided by Cleanaway as well as personal protective equipment where applicable and abide by any on site client requirements such as overalls, hard hats, safety glasses, high visibility clothing.
- 3.4.2 Compliance with all Cleanaway and other relevant authorities SHE policies, procedures and laws. All necessary precautions will be exercised for the health and safety of personnel and members of the public that may be effected by actions of subcontractors.
- 3.4.3 If any Cleanaway property is damaged such that it cannot be operated safely then it must be reported immediately to the Operations department.
- 3.4.4 Not to operate any plant unless trained to the satisfaction of Cleanaway in its safe operation.
- 3.4.5 Promptly notify Cleanaway of any accident, injury, damage to property or escape of hazardous materials that occurs during the performance of the subcontractors service.



### 3.5 ADMINISTRATION

- 3.5.1 Complete & forward daily runsheets daily by 12 midnight, with the DVR including hours and kilometre details and completed checklist for the body.
- 3.5.2 Where a subcontractor uses a Cleanaway vehicle, a DVR for the cab chassis & body must also be completed as per the standard operating procedure.
- 3.5.3 If the Subcontractor does not commence at the relevant depot they will provide a fax machine at their home for the purposes of receiving run sheet details and other relevant information.
- 3.5.4 Submit required details for relevant Cleanaway systems for fuel (hours & km), and maintenance.
- 3.5.5 Subcontractor shall supply a mobile phone to enable communication with Cleanaway. A two-way system will be maintained by Cleanaway at its discretion throughout the life of the agreement.
- 3.5.6 Ensure that any driver employees are paid in accordance with the relevant Award. Subcontractor shall provide Cleanaway records substantiating employee payments if required.
- 3.5.7 Allow Cleanaway to inspect the vehicle as required, to determine that the standard of roadworthiness, appearance and body fittings meet with the required specifications.
- 3.5.8 Retain maintenance records that will be in writing and auditable, with all audits carried out in consultation with the subcontractor.
- 3.5.9 Meet with Cleanaway representatives regularly as required to discuss service levels of both parties. Minutes of each meeting will be taken and distributed.





### 3.6 VEHICLE AVAILABILITY

- 3.6.1 It is the responsibility of the Subcontractor to provide a vehicle with an experienced driver (*himself or a replacement acceptable to Cleanaway only in the event of sickness, annual leave or other reason approved in writing by Cleanaway*), 52 weeks of the year. A nominated replacement driver needs to have passed a DAT test and be approved by the Fleet manager in writing.
- 3.6.2 Provided that at a time mutually agreed between Cleanaway and the Subcontractor for a period of 1 week each year, the Subcontractor may take the vehicle off the designated run for preventative maintenance. This should be done in a rostered manner where possible and in consultation with Cleanaway.  
Where the Subcontractor through unavoidable sudden illness or similar circumstances is unable to provide a relief driver to cover his normally allocated run, Cleanaway shall at its discretion supply a driver and vehicle to cover the run, and, in these cases, take the full revenue for the day.
- 3.6.3 Pursuant to clause 3.4 if a Cleanaway vehicle is unavailable, then with the subcontractors approval, which the Subcontractor will not unreasonably withhold, Cleanaway will supply *an agreed* driver for the Subcontractors vehicle to cover its normally allocated work. In this case, the Subcontractor will be paid for his full entitlement, less the full costs of the driver's wage including labour on costs (currently \$28 per hour). The Subcontractor will also make their fuel key available to enable the Cleanaway driver to refuel the vehicle.
- 3.6.4 Subcontractor will engage only approved relief drivers that have been adequately trained and inducted.
- 3.6.5 All inductions of Subcontractors and their relief drivers shall be evidenced by a signed formal induction acknowledgement. The company may refuse the suitability of a relief driver on the basis of him/her not having undergone the necessary training and induction.

### 3.7 WEIGHING

- 3.7.1 Cleanaway has introduced a computerised weighing system known as "Victor". The Subcontractor acknowledges that they will be required to adeptly use this system at the request of Cleanaway. The Subcontractor has been trained in the use of the equipment and will operate such equipment diligently and correctly. New contractors will be trained as required.
- 3.7.2 The subcontractors will not make any claim in the future in relation to the use of the Victor system.

### 3.8 TRAINING

- 3.8.1 Subcontractors shall as necessary participate in up to 8 hours (*4 x 2 hour sessions*) SHE, and 8 hours (*4 x 2 hour sessions*) customer service training programs per annum.
- 3.8.2 Where new equipment/technology is introduced, training of a suitable type and duration shall be introduced.
- 3.8.3 Training time will be paid to subcontractors at the rate of \$20 per hour. This specifically excludes such training that the Subcontractor requests that the company believes to be additional to that for which it has committed to or required to provide.

### 3.9 MEDICAL EXAMINATIONS

- 3.9.1 The Subcontractor's driver may be required by Cleanaway to undertake medical checks during the term of engagement. Cleanaway shall meet all costs for such medical examinations.
- 3.9.2 Records of medical checks will be confidential between the Subcontractor, Cleanaway and the Doctor.
- 3.9.3 Provided that this provision does not affect the right of a Subcontractors replacement driver to choose their own treating doctor in the event of injury.

### 3.10 INSURANCE

3.10.1 The Subcontractor shall arrange:

- (a) *A comprehensive insurance policy for the vehicle with a substitution clause covering a Cleanaway replacement vehicle which includes a third party liability to a maximum of \$5,000,000.*
- (b) *A cover for public liability for an amount of not less than \$5,000,000.*
- (c) *A workers compensation insurance policy for the Subcontractor and its employees.*
- (d) *These policies should be endorsed to provide indemnity to Cleanaway for any liability it may incur arising out of any act or omission on the part of the Subcontractor (Principle Liability endorsement) or their replacement.*



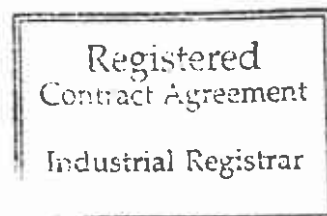
3.10.2 The Subcontractor must provide evidence to Cleanaway as proof that the insurances required have been affected and remain current throughout the term of the agreement. Documentary evidence will be required at first induction and then as required by Cleanaway.

### 3.11 NEW TECHNOLOGY

3.11.1 The parties recognise that new technology (other than "Victor") will be used to differentiate Cleanaway services in the marketplace. It is Cleanaway's aim to provide clients and management with service information through newly developed systems.

3.11.2 New technology will be introduced on a consultative basis. The following principals will apply regarding the installation of any such technology:-

- (a) Safety within the vehicle*
- (b) The provision of appropriate training*
- (c) Installation at Cleanaway cost*
- (d) No financial disadvantage to the Subcontractor*



### 3.12 PAYMENT AND RATES

- 3.12.1 The Subcontractor engaged pursuant to this agreement shall be paid the rates for all work performed in accordance with the rates as set out in schedule 1.
- 3.12.2 Subcontractors shall consider alternative rates to apply for new major business growth opportunities or individual large sites. This will only occur where agreement between subcontractor and Cleanaway is reached and where it is viewed necessary to secure new business that is profitable to both the Subcontractor and Cleanaway.
- 3.12.3 Cleanaway shall pay the Subcontractor by EFT, based on a formal invoice submitted by the Subcontractor for authorisation by Cleanaway. Such payment being made weekly, provided the invoice is presented to Cleanaway no later than 5.00pm on a Thursday.
- 3.12.4 The Subcontractor authorises Cleanaway to deduct from amounts due to it any amount owing to Cleanaway from time to time for goods & services supplied. Deductions will be itemised to the Subcontractor.
- 3.12.5 Where a Cleanaway workshop provides maintenance services to the Subcontractors vehicle, an invoice will be provided to the Subcontractor detailing the work carried out, for authorisation by the Subcontractor prior to charges being deducted from the Subcontractors invoice for payment.
- 3.12.6 In the event that a dispute arises in respect to deductions involving credit notes &/or maintenance work, it will be resolved between the relevant Manager and the Subcontractor. Where agreement is not reached the disputes procedure shall apply as set out in schedule 3.
- 3.12.7 The parties agree that all references in this agreement to monetary values are GST exclusive.

### 3.13 TERM OF AGREEMENT

- 3.13.1 This Agreement shall take effect from 1<sup>st</sup> December 2001, & continue in force for a period of 3 years from that date.
- 3.13.2 Negotiations shall commence not later than 3 months before the end of the term with a view to determining any ongoing arrangement between the parties.



### 3.14 TERMINATION

3.14.1 The company may terminate the engagement of the Subcontractor if:

- (a) The Subcontractor has committed a material and substantial breach of this agreement and has failed to rectify the same within 14 days of written notice served on it specifying the breach complained of and the matter requiring rectification.
- (b) The Subcontractor having received 2 written notifications of breaches in accordance with the preceding sub-clause that breaches it had rectified commits a further breach.
- (c) This agreement may be terminated without notice should the Subcontractor commit an act, which would warrant instant dismissal under a contract of employment on the basis of serious and willful misconduct. Refer to the Code of Conduct.
- (d) The Subcontractor goes into receivership or liquidation.
- (e) The Subcontractors driver is found guilty of an offence that causes the drivers licence to be suspended for a period of more than three months, and no other approved driver can be found.

3.14.2 Should Cleanaway consider the subcontractor is not satisfactorily performing its obligations under this agreement, but it is not conduct that falls within sub-clause a) of this clause, Cleanaway shall,

- (a) Give notice to the Subcontractor in writing the matters constituting unsatisfactory performance.
- (b) Nominate in the written notice, a period during which the Subcontractor has an opportunity to improve its performance, which period shall not be less than one month; &
- (c) Review the further performance of the Subcontractor at the end of the nominated period with the Subcontractor.
- (d) If at the end of the nominated period Cleanaway considers that the performance of the Subcontractor has not improved to a satisfactory level, then Cleanaway may terminate this agreement by giving one months notice to the Subcontractor or making a payment in lieu of such notice equivalent to the remuneration that would have been generated by the Subcontractor had the notice been given. Such payment will be calculated by averaging the immediate preceding three months earnings.



3.14.3 In the event of termination, the company will paint out any Cleanaway signage and return the cab chassis to original or agreed colour to a professional standard. This does not include panel or remedial cab chassis work.

3.14.4 The Dispute Settlement Procedure in schedule 3 shall apply in the event of disagreement.

### 3.15 ASSIGNMENT

3.15.1 Upon termination of this agreement by effluxation of time or by Cleanaway or by the contractor, or should the Subcontractor be seeking to discontinue providing services to Cleanaway, then Cleanaway shall have the first option of purchasing the contractors vehicle at an agreed value. If agreement cannot be reached an independent truck auctioneer shall arbitrate the value.

3.15.2 The Subcontractor shall not assign its rights or obligations under this agreement to another party without express written permission from Cleanaway to transfer its rights.

3.15.3 In seeking consideration by Cleanaway, in respect to the transfer of any agreement pursuant to sub clause 3.15.2, the Subcontractor will provide to Cleanaway, all documents in respect of the terms of the proposed transfer.

3.15.4 Where Cleanaway approves a transfer, such approval will be subject to the Subcontractor (the assignor) and the purchaser (assignee), and Cleanaway executing a document in terms of schedule 4, together with a solicitor's statement that it has been explained to the purchaser.

3.15.5 It is recognised and agreed that Cleanaway shall have no obligations towards that purchaser and shall not be liable for any representations made by the Subcontractor to the purchaser of the vehicle and shall be indemnified in relation to it by the Subcontractor.

### 3.16 PREMIUMS

3.16.1 The Subcontractor acknowledges that it has not paid any goodwill, either to Cleanaway or to any other person, to obtain this agreement.

3.16.2 The Subcontractor acknowledges that, in obtaining the vehicle to perform its obligations under this agreement, it has not paid any premium over and above the market value of the vehicle to either Cleanaway or to any other person.

3.16.3 The Subcontractor acknowledges that no goodwill accrues or is generated in the performance of work under this contract.

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### 3.17 ALLOCATION OF WORK

- 3.17.1 Cleanaway shall as far as possible given market conditions provide the Subcontractor with a continuous supply of work.
- 3.17.2 Run restructuring shall be undertaken as necessary, in a consultative manner and shall be designed to allow drivers to operate efficiently and in a coordinated manner. The parties will consider the ongoing viability of the business to both parties. Cleanaway reserves its right to periodically review and where necessary, change the area and or customers serviced in order to reallocate work in an efficient manner.
- 3.17.3 The basis for a restructure of any system may include the following objectives
- (a) Minimise tipping costs
  - (b) Maximize contractor/Cleanaway vehicle productivity
  - (c) Adjust for major losses and/or gains in work
- 3.17.4 In the event Cleanaway requires work to be performed on weekends and public holidays, such work will be shared equally (volume & lifts), where practicable, between Subcontractors and Cleanaway drivers. Where necessary, a roster system for contractors for the work shall apply.
- 3.17.5 Where work is offered to the Subcontractor, including weekends and public holidays, it is required that the Subcontractor accepts such work. It is agreed between the parties that this agreement and prior agreements compensate the subcontractor for working weekends and public holidays as required.

### 3.17.6 CONTRACTOR LIABILITY FOR DAMAGE

(a) The contractor, if unable to show just cause will accept liability for payment of loss and/or damage to equipment owned by Cleanaway whilst under his control to the extent of \$1,500 in any incident, provided that this figure may be reviewed annually.

(b) Provided that where

A contractor's negligence has been established by the NSW Police, and they have been found to have contributed to the damage of the company vehicle or equipment

Or

A contractor admits liability,

The contractor shall be liable for the first \$10,000 of the damage.

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(c) Where the contractor's vehicle is unavailable for use and a replacement vehicle is supplied by Cleanaway, the sub contractor will be responsible for the first \$10,000 of any loss or damage to the company vehicle and provide third party property damage insurance cover with a limit of liability not less than \$5 million.

(d) The contractor will provide to Cleanaway sufficient proof that appropriate insurance covers are in place.

(e) In the event that an accident is alcohol related, the contractor shall be liable for the total cost of the damage and shall be summarily dismissed.

### **3.18 ENTIRE AGREEMENT**

This agreement constitutes the entire agreement between the parties with respect to the subject matter, and shall supersede all previous oral and written proposals, responsibilities, agreements and other communications between the parties.

### **3.19 GOVERNING LAW**

This agreement shall be deemed to have been made in the state of New South Wales and shall be subject to the laws of that state.





**SCHEDULE 1 - RATES**

<b>Front Lift</b>	<b>Effective 1/12/2001</b>	<b>Effective 1/3/2002</b>
Up to 1300 m3 per week	\$3.41 per metre	\$3.43
Thereafter	\$2.89 per metre	\$2.90
Emergency hourly rate (where agreed)	\$80.00 per hour	

Note; above frontlift rates include compensation for futile calls.



**SCHEDULE 2 – RATE REVIEW FORMULA**

Initial rates as per schedule 1 to be held firm for first 3 months.

Revised rates (*initial rates plus 0.5 %*) as per schedule 1 to apply from 1<sup>st</sup> March, 2002.

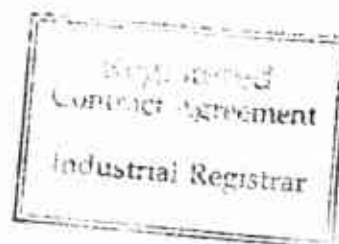
Annual rate reviews will be performed as at 1<sup>st</sup> December, 2002 and 1<sup>st</sup> December 2003 in line with the table below.

Rates to be varied on the basis of 76% of the variation to the components identified below and in accordance with the value identified for each component. The amounts below are exclusive of GST:

Should unforeseen circumstances occur and major costs escalate substantially between review periods, the sub contracts have the right to approach Cleanaway to put a case forward for rate increase prior to the review date.

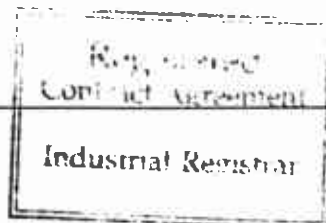
Factor	Item	Value	% of Value Variation
Fuel	Litre of Fuel	\$0.86	12
Tyres	Bridgestone Tubeless Highway Tyre - 1122R Model 285	\$455.00 List price to public	1.5
	Bridgestone recap – Ribtrack tread 1100R22.5	\$160.00	3.5
Registration	Mitsubishi FS428 ( <i>per O Herring</i> )	\$4,538.80	-3
Insurance	Mitsubishi FS428 ( <i>per O Herring</i> )	\$15,112.00	8
R & M	Labour ( <i>Not including 10% administration</i> )	\$38.44	10
	Materials – CPI for vehicle service Repairs & Parts	136.70	4
Labour	Transport Industry Trade Waste Award (Grade 4)	\$638.70	34

This model is based on schedule 5 (*frontlift cost model*)



## **SCHEDULE – 3 DISPUTE SETTLEMENT PROCEDURE**

1. The parties to this Agreement will operate under this Dispute Settlement Procedure and it is the intention of the parties that the Procedure will be strictly adhered to for any issue, local or national.
2. In view of the guarantee of service outlined in subclause 3, it is specifically acknowledged by the parties that failure to comply with the Dispute Settlement Procedure will remove from Cleanaway a considerable benefit of this Agreement.
3. The Dispute Settlement Procedure shall be:
  - 3.1 All matters shall be attempted to be resolved within the workplace.
  - 3.2 The following steps shall be followed until the matter is resolved:
  - 3.3 Any matter shall first be discussed between the contractor and supervisor.
  - 3.4 The contractor and their representative shall consult with the Operations Manager on the matter.
4. If the matter cannot be resolved within the steps identified in subclause 3, discussions involving the contractors' representatives (*including Union Organiser*), Operations Manager and relevant Cleanaway officials shall take place. This could include Brambles Employment Services Department.
5. If the matter still cannot be resolved, it shall be referred by either party to the New South Wales Industrial Relations Commission (*IRC*) for conciliation and where necessary, arbitration. A decision of the Commission shall be accepted by the parties as final, subject to any legal appeal procedures.
6. During the processes outlined in this provision there shall be no disruption to Cleanaway's commercial operations.
7. Consistent with the intent of the Industrial Relations Act 1996, the contractors engaged by Cleanaway undertake that during the life of this agreement, industrial action will not be utilised to disrupt the availability of services provided in accordance with the agreement.
8. No party shall be prejudiced as to final settlement by the continuance of work.
9. The circumstances that applied immediately prior to the dispute arising shall continue until final resolution of the matter.
10. The only qualification to the undertaking for continuity of service is the requirement that work be capable of being carried out in a manner consistent with Occupational Health and Safety requirements.



**SCHEDULE 4 – ASSIGNMENT APPROVED BY CLEANAWAY**

In accordance with Clause 3.15, where Cleanaway gives express written permission to a contractor to transfer its rights under this Agreement, the following document will be executed and submitted with a solicitor's statement that it has been explained to the purchaser.

*"The parties acknowledge that Cleanaway will enter into a new agreement with the purchaser (assignee) from the date of completion for a period of time representing the balance of time remaining upon the vendor's (subcontractors) agreement with Cleanaway upon the same terms as the agreement annexed hereto and marked A. (Copy of the agreement to be attached).*

*The purchaser acknowledges that it has satisfied itself as to the terms and conditions upon which Cleanaway will grant to it a new agreement for a period equivalent to the unexpired period of the vendor's agreement with Cleanaway and the purchaser shall not be entitled to claim any compensation or damages arising from any agreement the purchaser may enter into with Cleanaway pursuant to this Deed from the vendor and the purchaser shall indemnify the vendor against any claims for compensation or damages that may arise as a result of any agreement entered into between the purchaser and Cleanaway.*

*The purchaser further acknowledges that Cleanaway has not given any guarantees in respect to a further agreement at the end of the term of the agreement and that Cleanaway may at its discretion elect not to renew or continue arrangements with any subcontractor at the end of the Agreement term. In this event the purchaser (assignee) acknowledges that it has and will make no claim for damages on Cleanaway. The assignee fully acknowledges the possibility, entirely at Cleanaway's discretion, to not renew the contract at the expiry thereof."*

**SCHEDULE 5 – FRONTLIFT COST MODEL**

Based on 1000m<sup>3</sup> per week

Fixed costs	Capital for truck	\$160,000	
	Depreciation term	5 years	
	Residual	\$50,000	
	Depreciation	\$23,000	
	Interest rate	8%	
	Interest	\$7,790.80	
	Insurance	\$15,112.00	
	Registration	\$4,538.80	
	<b>Total fixed costs*</b>	<b>\$50,442</b>	<b>\$0.97/m<sup>3</sup></b>
Labour	Hourly rate (grade 4)	\$17.08	
	Ord time (260shifts)	\$35,526	
	O/T (37.6 %)	\$13,374	
	Oncosts (27%)	\$13,204	
	<b>Total labour</b>	<b>\$62,104</b>	<b>\$1.20/m<sup>3</sup></b>
Operating costs	Fuel	\$20,408	
	Tyres	\$9,150	
	R&M	Parts	\$7,316
		Labour	\$16,884
	<b>Total operating costs</b>	<b>\$53,758</b>	<b>\$1.03/m<sup>3</sup></b>
Administration	6.6%	\$11,016	\$0.21/m <sup>3</sup>
<b>GRAND TOTAL</b>		<b>\$177,320</b>	<b>\$3.41/m<sup>3</sup></b>

Above costs exclude GST



**SCHEDULE 6 – SIGNATURES OF PARTIES TO THE AGREEMENT**

It is hereby agreed that the foregoing (pages 1–16 inclusive), establishes an Agreement between us.

Signed for & on behalf of Cleanaway *Mark McNamara*  
 Print name & position MARK MCNAMARA – MANAGER  
 Dated 4/12/2001

Witness Signature *J Bond*  
 Print name G. Bond

Signed for & on behalf of *M.D.R. Pty Ltd*  
 (Print Subcontractor Company Name)  
*Director*  
 (Position)  
 Print name CHRIS BENCARDI

Dated 4TH DECEMBER, 2001

Witness Signature *J Bond*  
 Print name G. Bond

Signed by the Transport Workers Union of Australia (NSW Branch) on behalf of those contractors to the company who are listed and whose signatures appear in schedule 6.

Signature *A. Sheldon*  
 Print name and position A. Sheldon State Secretary  
 Date 16/1/02

Witness signature *Alice De Boos*  
 Print name ALICE DE BOOS

