

**REGISTER OF
ENTERPRISE AGREEMENTS**

ENTERPRISE AGREEMENT NO: EA17/01

TITLE: Multigroup Distribution Services Pty Ltd (Coffs Harbour, Newcastle, Orange, Tamworth, Tuggerah, Wollongong, Albury/Wagga)

I.R.C. NO: 2000/4114

DATE APPROVED/COMMENCEMENT: 6 September 2000/ 1 July 2000

TERM: 24 months

**NEW AGREEMENT OR
VARIATION:** New

GAZETTAL REFERENCE:

DATE TERMINATED:

NUMBER OF PAGES: 11

COVERAGE/DESCRIPTION OF

EMPLOYEES: Applies to employees engaged pursuant to the Transport Workers (State) Award at the following Company sites: Coffs Harbour, Edgeworth, Orange, Tamworth, Tuggerah, Unanderra, Albury and Wagga Wagga

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



**THIS AGREEMENT SHALL BE
KNOWN AS THE**

**MULTIGROUP DISTRIBUTION
SERVICES PTY. LTD.**

**(COFFS HARBOUR, NEWCASTLE,
ORANGE, TAMWORTH, TUGGERAH,
WOLLONGONG, ALBURY/WAGGA)
AGREEMENT 2000**

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ARRANGEMENT

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1. Preamble

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

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

This Agreement provides the foundation for all parties to work together to identify and initiate productivity improvements that can reduce our overall costs and improve our service levels. These improvements will fund the wage increases to all company employees and sub contractors included in clause 10.

It is noted and accepted that failure to adhere to any requirements in this Agreement by either party will result in the termination of the agreement. It is recognised that this is clearly not the intention of any party to the Agreement.

2. Parties Bound

The parties to this Agreement are:-

2.1. Multigroup Distribution Services Pty. Ltd T/As Discount Freight Express ("The Employer") with respect to its enterprises carried on and from the following locations:-

- 35A Lawson Crescent, Coffs Harbour, NSW 2450
- 9 Aluminium Close, Edgeworth, NSW 2285
- Cnr. Leewood Drive & Hawthorn Place, Orange, NSW 2800
- Lot 112 Plain Street, Tamworth, NSW 2340
- 4 Mildon Road, Tuggerah, NSW 2259
- 29-31 Waverley Drive, Unanderra, NSW 2526
- 234 North Street, Albury, NSW 2640
- 4 Rabaul Place, Wagga Wagga, NSW 2650

2.2 and in respect of the employees, The Transport Workers Union of Australia (New South Wales Branch)

3. Intention

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



4. Duress

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

5. Date and Period of Operation

This Agreement shall operate from the first pay period to commence on 1 July 2000 and shall remain in force until 30 June 2002.

6. Objectives

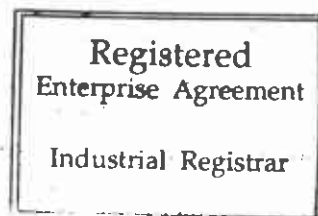
The aim and objectives of this Agreement:

- 6.1 To achieve maximum flexibility and efficiency in all functions of the business.
- 6.2 To encourage continuous improvement in all aspects of the services provided by employees.
- 6.3 To provide better wages, working conditions and career opportunities for all employees.

7. Fair Dealing Policy (Refer Appendix 1)

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

- 7.1. No retrenchment goal.
- 7.2. No immediate stand-down for misconduct without review, fully paid stand-down whilst in progress.
- 7.3. Dismissal a last resort.
- 7.4. No unfair dismissal - proper appeal rights.
- 7.5. Fair treatment in general matters and conditions.
- 7.6. Employee safety is a first priority.
- 7.7. Fair payment policy.
- 7.8. Employee crisis/welfare support.
- 7.9. Co-operation/working in with all employees.
- 7.10. Commitment to two-way communication and information sharing with employees.
- 7.11. Commitment to skills development.



- 7.12. Policy of promotion within.
- 7.13. Educational assistance.
- 7.14. Policy of providing good equipment.
- 7.15. Provision of good amenities and clean work environment.
- 7.16. Management open-door policy.
- 7.17. Employee commitment expected.

8. Holidays

As a rule, holidays will not be granted in the high volume months of October, November, December. Easter is by local agreement unless there are exceptional circumstances. In these instances as much notice as possible is to be provided by the employee, and applications assessed and approved exclusively by the Branch Manager.

9. Casual Hire Employees

Casual hire employees shall be engaged on a daily basis and paid weekly, for a minimum of four (4) hours for each period of engagement. Payment for casuals will be as per the Transport Industry (State) Award plus the differential between the Award and the EBA rate for permanent employees.

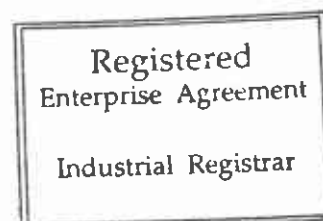
10. Wage Increases

- 10.1. In consideration of adherence to the terms of this Agreement, wage increases as outlined in the table below shall be paid automatically.

10.1.1. Table of Wage Increases

Operative Date (first full pay period to commence on or after:) 30 June 2000	Amount	Nature of Increase
July 2000	2.93%	Economic Adjustment
November 2000	3.00%	Economic Adjustment
March 2001	1.00%	Economic Adjustment
November 2001	3.50%	Economic Adjustment

- 10.2. During the life of this Agreement the parties shall work together, on a consultative basis, to develop targets and/or measures additional to those referred to elsewhere in this Agreement and based on the needs of our customers and in line with the individual Branch Business Plans.
- 10.3. The parties undertake that there shall be no further claims for the life of this agreement except as outlined in clause 11.



11. GST CLAUSE

- 11.1. The Federal Government is introducing a GST of 10% on many items (excluding food) counted in the CPI (Consumer Price Index).
- 11.2. At the same time wholesale sales taxes will cease.
- 11.3. Income tax will be reduced.

The expected effect on wages at the current average driver gross pay rates is approximately an increase in net take-home-pay equivalent to a 5% increase in gross earnings.

Should the actual cost of living (CPI) increase from the GST exceed the gross equivalent pay increase from income tax reductions, the company and its employees will enter into further discussions regarding pay rates appropriate to the situation.

CURRENT TOP TAX RATE PAID BY DRIVERS =	43% (ie. RECEIVE 57¢ NET / \$1.00 GROSS)
∴ \$1,100 TAX CUT IS EQUIVALENT TO $\$1,100 \times \frac{1.00}{.57}$ =	\$1,930 GROSS WAGE INCREASE EQUIVALENT
=	$\frac{1,930}{37,500}$ 5.1% EQUIVALENT GROSS PAY INCREASE

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12. Productivity Improvements

The parties agree that as the company continues to embrace the technological advances and industrial reform essential for its success, it is critical that 'The Employees' embrace the concepts of multi-skilling and additional training. This means that drivers and freight handling personnel may be required to learn and experience different factors of the operation and to use and look after tools and equipment previously not used within our enterprise or industry.

The parties agree that the following shall represent work practices and/or goals agreed to be in the interest of the parties, which will assist the company to achieve its service standards.

- 12.1. 'The Employees' are to adopt the principle and contribute towards the introduction and building of self managed work teams. The implementation of these work teams will create greater harmony within the operations team as well as providing a more rewarding and satisfying work environment. Supervisors will play a more guiding and advisory role rather than their historic directive role. Initially, while work teams are being initiated and formalised, drivers are to co-operate and assist each other to

ensure coverage of adjoining runs and 'The Employees' are to assist and support each other and also to rotate work during unloading of inbound freight from conveyors, etc

- 12.2. The Employees shall ensure that all freight is cubed.
- 12.3. The Employees shall ensure 100% accurate count of freight to paperwork at point of pick-up.
- 12.4. The Employees shall ensure strict adherence to security procedures and that a full security one (1) check of all freight occurs upon their return to the depot.
- 12.5. The Employees shall start work at the nominated time as displayed daily on the depot notice board. By way of example this shall mean that all Employees shall commence immediately at the start of the working day.
- 12.6. All Employees involved in delivering goods shall complete an electronic manifest of all consignment notes for the goods that they are delivering. On delivery the driver must endeavour to obtain the receivers name and enter the name on the hand scanner.
- 12.7. All Employees driving delivery vehicles shall maintain the highest level of vehicle presentation and in particular ensure:
 - 12.7.1. Both cabin and pantech/truck body is cleared of rubbish daily;
 - 12.7.2. All employees who use Company vehicles for travel to and from home/work will ensure the vehicle is washed each week in their own time. Those who do not take a vehicle home will wash the vehicle during Company time by arrangement with the Operations Manager.
 - 12.7.3. The vehicles oil and water level are checked daily and replenished whenever need be;
 - 12.7.4. The vehicles battery levels are checked weekly and replenished whenever need be;
 - 12.7.5. Any problems with the vehicle are brought to the attention of the Management as soon as practical.
 - 12.7.6. That it is the responsibility of the driver to arrange for return of his truck to the depot by 6:00 am or by local requirement and agreement on the day he is off should he need to take sick leave.
- 12.8. The company shall ensure that any problems with a delivery vehicle will be attended to with priority and that any problem relating to safety must be corrected with urgency.



12.9. The Employees shall maintain the highest level of personal presentation and in particular ensure that they arrive for work in a neat and tidy condition in full uniform. Footwear must be of a safe nature, hair-combed and face shaven (beards accepted).

12.10. Both employer and employees shall work together to improve the drop rates in line with the targets formulated by the productivity committee.

This will be dependent on our departure time from our depot and will require ongoing discussion and planning from all to achieve.

12.11. The Employees agree that on occasions such as emergencies, during the normal course of supervision and for customer satisfaction that Multigroup Distribution Services Pty Ltd staff employees may be required to handle and distribute freight. Provided prior consultation between TWU Delegate, the Union and Management has taken place and agreement has been reached.

12.12. All driving employees will strive to achieve the earliest possible on road times. A target, which we should mutually work towards, would be 1 hour after the last pan is unloaded.

12.13. In addition the following work practices should be adopted:

12.13.1. Assist on adjoining runs when applicable to ensure maximum clearance of freight due for delivery; and

12.13.2. Assist on conveyor lines whenever required.

12.14. Union Picnic Day/Trades & Labour Day

12.15. Negotiation towards working this day be deferred until the situation regarding the award is clarified by the Industrial Relations Court.

12.16. The Employees agree to the development of culture of co-operation whereas there is a willingness to accept change and the need to work together to achieve improvement in the level of service and customer satisfaction.

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12.17. The Employees agree that a probationary period of three months from date of commencement with the Company will apply to all new employees and that during this probationary period the Company will be under no obligation to continue the individuals employment of the individual is found to be unsuitable for the position.

12.18. The Company agrees that all vacant positions will be advised to all staff by way of a notice posted on the notice boards giving sufficient time for any interested employees to make application for the position.

12.19. The Employees agree that when involved in handling freight they shall:-

12.19.1. Handle same in correct and proper manner and agree that the practice of "Throwing Freight" should be eliminated.

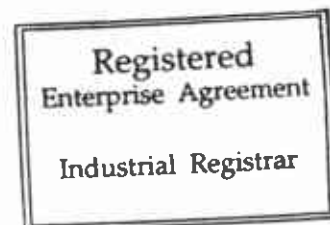
12.19.2. Be respectful and observant of signs, arrows etc indicating a particular way to handle certain goods ie: "This way up", "Fragile" etc, and

12.19.3. The aim to improve the quality of loading, for example by eliminating misdirect, damages and achieving improved linehaul utilisation.

12.20. Where practicable overtime will be given and shared equally amongst permanent employees in preference to casual labour.

13. Training and Multi Skilling

As the company embrace the technological advances and industrial reform essential for its success, it is critical that employees embrace the concept of multi-skilling and additional training. This means that drivers and freight handlers may be required to learn and experience different facets of the operation and will be encouraged to embark on additional training.



14. Demarcation

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

15. Settlement of Disputes

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

Unless the issue is safety related it is agreed that:-

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



16. Signatures

Signed for and on behalf of Multigroup Distribution Services Pty Ltd:

Graeme Bradley.
Signature

Graeme Bradley.
Name

in the presence of:

Amson
Witness

20/JUNE/2000
Date

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

[Signature]
Signature

Robert Edwards
Name

in the presence of:

G. Devenish
Witness

20/6/00
Date

GRAHAME DEVENISH

