REGISTER OF ENTERPRISE AGREEMENTS

ENTERPRISE AGREEMENT NO: EA03/177

TITLE: TNT Logistics (Australia) Pty Ltd - TWU New South Wales Branch (Employees) Heads of Agreement 2003 - 2004

I.R.C. NO: IRC3/4180

DATE APPROVED/COMMENCEMENT: Approved 8 August 2003 & commenced 1

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NEW AGREEMENT OR

VARIATION: New

GAZETTAL REFERENCE: 10 October 2003

DATE TERMINATED:

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COVERAGE/DESCRIPTION OF

EMPLOYEES: Applies to employees of the company who fall within the coverage of the Transport Industry (State) Award

PARTIES: TNT Logistics (Australia) Pty Ltd -&- the Transport Workers' Union of New South Wales

TNT Logistics (Australia) Pty Ltd TWU New South Wales Branch (Employees) Heads of Agreement 2003 - 2004

Arrangement

1	Contents
2	Title
3	Parties Bound
4	Definitions
5	Objectives
6	Commitment
7	Implementation of Technology and Operational
	Procedures
8	Training
9	Union Recognition and Union Membership
10	Attending Union Training
11	Application of Agreement
12	Union Picnic Day
13	Superannuation
14	Employee Deductions
15	Labour Arrangements
16	Rates of Remuneration for Employees
17	Parental Leave
18	Discretionary Leave
19	Compliance to Laws
20	Settlement of Disputes
21	No Extra Claims
22	Leave Reserved
23	Operation of Agreement

ATTACHMENT 1

24

Applicable Rates of Pay

Signatures

ATTACHMENT 2

Delegates Charter of Rights

ATTACHMENT 3

Transport Industry (State) Award

2. Title

This Agreement shall be known as the "TNT Logistics (Australia) Pty Ltd - TWU New South Wales Branch (Employees) Heads of Agreement 2003-2004"

3. Parties Bound

The parties to this Agreement are:

- (i) TNT Logistics (Australia) Pty Ltd
- (ii) Employees engaged by the Company; and
- (iii) The Transport Workers Union of Australia, New South Wales Branch

4. Definitions

(i) In this Agreement, unless the context otherwise requires:

"Act" shall mean the Industrial Relations Act 1996 (NSW), as amended

"Award" shall mean the Transport Industry (State) Award (TISA), applicable at the time of signing of this Agreement and annexed to this Agreement as Attachment 3

"Business Entity" shall mean TNT Logistics (Australia) Pty Ltd

"Company" shall mean TNT Logistics (Australia) Pty Ltd

"Commission" shall mean the Industrial Relations Commission of New South Wales

"Employee" shall means a person employed by TNT Logistics (Australia) Pty Ltd in a full-time, part-time or casual capacity under the terms of the Award to whom this Agreement applies.

"Base Rate of Pay" shall mean the rate of pay not including payments for overtime, allowances, shift payments and any other allowance and/or penalty payment prescribed by the Award or Enterprise Agreement.

"Test Case" shall mean a matter brought before the Commission for determination resulting in the establishment of a benchmark for the transport industry.

"Transport Workers Welfare Fund" shall mean clause 14 of the Union's "Final Draft 2002 TWU Heads of Agreement" (referenced as "2002 Heads of Agreement - 5th draft - 12 September.doc").

"TWU" shall mean the Transport Workers Union of Australia, New South Wales Branch.

"Union" shall mean the Transport Workers' Union of Australia, New South Wales Branch.

"Union Training Days" shall mean any training attended by elected Delegates which is organised by the TWU.

(ii) in This Agreement, Words Importing the Singular Shall Include the Plural.

5. Objectives

The Company, TWU and Employees recognise the link between Employee satisfaction, Customer satisfaction and Shareholder value. The objectives of this Agreement are:

- (i) To create an environment where customer satisfaction is of paramount importance to all Employees.
- (ii) To positively assist the Company to achieve its vision of becoming "A market leader in providing innovative and reliable value added supply chain solutions to our customers with a focus on preferred industry sectors".
- (iii) To create and maintain a profitable and viable enterprise for the benefit of the key stakeholders customers, Employees and shareholders.

6. Commitment

(i) The Company is committed to providing induction, product knowledge and work systems training to ensure that Employees are equipped and motivated to provide continuously improving customer service and meet the relevant performance indicators of the company and customers.

7. Implementation of Technology and Operational Procedures

- (i) Employees will co-operate in the introduction and continuing use of technology which assist in improving and maximising the performance of the business, improves customer service, enhances monitoring and measurement of service quality.
- (ii) All wage increases paid under this Agreement are in full satisfaction of any claims that may arise relating to the use of technology and/or operating procedures during the life of this Agreement.
- (iii) The Company shall make no further payments on account of the use and application of technology regardless of whether or not, after the registration of this Agreement, increases or new allowances are prescribed by any applicable award in relation to the introduction or use of any technology.
- (iv) Introduction of new technology and operational procedures will not change the classification of Employees as a transport worker for the purposes of the Award.
- (v) The Company shall provide additional support to Employees who are experiencing problems with using the new technology. Where such support is given and the Employee's performance has not improved, the Company will discuss options for dealing with the situation with the Union.
- (vi) Any productivity improvements which arise out of the introduction of new technology and operational procedures during the life of this Agreement may be subject to future Heads of Agreement negotiations.
- (vii) The parties commit to consultation on the implementation of new technology including but not limited to the impact on changed work processes and job security.

8. Training

- (i) The Company will continue training in such areas as vocation, product knowledge, customer service, trade practices compliance, occupational health and safety, safer work practices and knowledge of the Award for the benefit of the Employees bound by this Agreement.
- (ii) The Company and the TWU recognise that induction training is necessary to promote an understanding of the Company's businesses and enhance customer service, productivity, efficiency and compliance with legal obligations.
 - (a) Subject to the Company not breaching current contractual arrangements with Newskills, the Company will provide Blue Card training to Employees during the operation of this Agreement. Provided that such training is delivered, in the first instance, by Newskills or in its absence a Registered Training Organisation selected by the Company. This training will cover the OH&S unit TDT F1 97B (Follow OH&S Procedures).
 - (b) The operation of the Blue Card shall not restrict access to the Company's sites (by customers, visitors, contractors, agency staff or any other person or legal entity) and operations or interfere with an individual Employee's right of association.
 - (c) Commencing from the operation of this Agreement, the Company will advise all regular contractors working in the business of the Blue Card to allow the contractor to make a decision on obtaining a Blue Card.

- (iii) The Company commits to continue the training of Employees, primarily through the New Apprenticeship Scheme program (or as updated). As a minimum, such training will include:
 - (a) Induction, including site and job function
 - (b) Occupational health and safety
 - (c) Industrial rights and obligations, including the operations of this Agreement and the Award
 - (d) Legal compliance
 - (e) Driver fatigue.
- (iv) The Company is committed to retaining the Investors in People accreditation, part of which requires a commitment to develop Employees to meet business objectives. As part of this commitment, the Company will provide site and individual training plans.
- (v) Where the Company requires particular training to be undertaken by Employees, the Company will conduct the training at its own expense.

9. Union Recognition and Union Membership

- (i) the Company Recognises the TWU as Being the Union Entitled to Represent Employees Covered By This Agreement.
- (ii) All new Employees covered by this Agreement, shall upon induction, be given an application form and any literature provided by the TWU so they may join the TWU if they so wish.
- (iii) The Company agrees to the Delegates Charter of Rights shown in Attachment 2. The Delegates Charter of Rights may be varied from time to time by written agreement between the State Secretary of the TWU and the Company.

10. Attending Union Training

(i) The Company shall permit elected Delegates to attend the following number of Union Training Days, within each year of the life of this Agreement:

TNT Logistics Maximum 10 days per site.

(a) Delegates who attend a Union Training Day shall be paid in accordance with the following arrangements:

Where a Delegate returns to the workplace after a Union Training Day or part of a day and continues to work after their ordinary hours, the Company will pay the overtime for all hours worked in excess of the ordinary hours.

Where a Delegate attends a Union Training Day or part of a day and fails to present and be available for work either before or after the Union Training Day, the delegate will only be paid base rate of pay for the period in attendance at the Union Training Day.

Where a Delegate attends a Union Training Day for the whole day, and provided that notice has been given to the Company in accordance with sub-clause (ii) of this clause, the Company will pay the Delegate the hours worked under normal circumstances.

(b) The number of Delegates who will be paid to attend Union Training Days shall be as follows:

TNT Logistics

Up to 1 Employee Delegate per meeting per site

- (ii) Notice to Attend Union Training:
 - (a) The Company requires, from the TWU, at least 48 hours written notice for Delegates to attend Union Training Days.
 - (b) Notice referred to in (a) of this sub-clause shall be provided by the TWU to the Regional Manager TNT Logistics for Delegates required to attend.
 - (c) Notice referred to in (a) of this sub-clause shall include the expected duration of the Delegate's absence from the workplace, purpose of the training, date, time and location of the training.

11. Application of Agreement

- (i) This Agreement applies to the Company in respect of its Employees covered by the Award, employed in the Company's relevant business entity.
- (ii) Where there is an inconsistency between this Agreement and a pre-existing award or agreement, this Agreement shall apply.

12. Union Picnic Day

The benefits of clause 28 - Union Picnic Day - of the Award shall apply to all Employees who are covered by this Agreement and who are financial members of the Union.

13. Superannuation

- (i) The Company agrees to make contributions for its Employees in accordance with the Transport Industry Superannuation (State) Award.
- (ii) The Company will continue to make contributions to the TWU Superannuation Fund subject to any rights an individual may have under the legislation.
- (iii) The company will allow employees to make salary sacrifice personal contributions to the TWU Superannuation Fund. This is an optional choice at the employee's discretion (limited to one only change per annum).

14. Employee Deductions

In accordance with current practice, the Company may facilitate Employee deductions as outlined below:

- (i) All non-statutory, agreed and duly authorised deductions from an Employee's pay shall be applied to the purpose of the deduction within 10 days of each month's end.
- (ii) The Company shall maintain records of the following transactions:
 - (a) Deductions. Such deductions shall appear on the Employee's next pay advice; and
 - (b) Payments to recipient institutions. The Company shall provide the Employee with evidence that such a payment has been made upon the request of the Employee.

15. Labour Arrangements

- (i) The Company is committed to the permanent full-time engagement of its Employees, noting that for operational reasons there will be continuing needs for flexible workforce solutions including permanent part-time, casual and labour hire Employees to supplement the permanent full-time workforce.
- (ii) The Company will continue to utilise a flexible approach to staffing requirements, including labour being provided through labour hire companies.
- (iii) Where it is decided by the Company to use labour hire companies other than those currently being used as preferred suppliers for employee staffing, then there will be consultation and agreement with the TWU.
- (iv) The Company may extend opportunities for permanent full-time engagement to part-time and casual Employees where there is a demonstrated need to convert part-time and casual employees to full-time.
- (v) The Company will require labour hire companies to pay the rates contained within this Agreement.
- (vi) Labour hire company staff will be provided with site specific OH&S induction training into the company within their first week of activity and will also be advised of the provisions of Clause 9(ii) of this Agreement.

16. Rates of Remuneration for Employees

- (i) The Company shall pay the following increases on the base rate of pay:
 - (a) 2% in respect of the TWU's claim for increased wages and a further 0.5% (ie: 2.5% in total) in full and final settlement of the TWU's claim under the Transport Workers Welfare Fund. The operative date of these increases shall be from the first full pay period commencing on or after 1 July 2003;
 - (b) 2% in respect of the TWU's claim for increased wages and a further 0.5% (ie: 2.5% in total) in full and final settlement of the TWU's claim under the Transport Workers Welfare Fund. The operative date of these increases shall be from the first full pay period commencing on or after 1 December 2003;
 - (c) 2% in respect of the TWU's claim for increased wages and a further 0.5% (ie: 2.5% in total) in full and final settlement of the TWU's claim under the Transport Workers Welfare Fund. The operative date of these increases shall be from the first full pay period commencing on or after 1 July 2004;
 - (d) 2% in respect of the TWU's claim for increased wages and a further 0.5% (ie: 2.5% in total) in full and final settlement of the TWU's claim under the Transport Workers Welfare Fund. The operative date of these increases shall be from the first full pay period commencing on or after 1 December 2004.

The rates of pay applicable upon payment of the increases in (a) to (d) above are shown in Attachment 1.

- (ii) The increases set out in clause 16(i) are inclusive of an amount of 2% (i.e.1% + 1%) in settlement of the TWU's claim in respect of the Transport Workers Welfare Fund. If any future claims are made in respect of any contribution by the Company in respect of the Transport Workers Welfare Fund or any similar replacement fund or scheme, the increases in rates under this Agreement shall be taken into account in respect of any such claim.
- (iii) The rates of pay specified in Attachment 1 will apply for the purposes of calculating entitlements including, but not limited to, overtime, any form of leave, redundancy and superannuation.

- (iv) Any state wage case or other Award variations will be absorbed by the increases in wages provided by this Agreement.
- (v) The base rates of pay in Attachment 1 do not include allowances. Allowances as prescribed by the Award, shall be paid to Employees consistent with the amounts and conditions under which those allowances are paid.
- (vi) The TWU on behalf of itself, officers and members agrees that where any future agreement provides for wage increases in addition to those contained in this Agreement, then any such wage increase shall not become due or payable before 31 March 2005. However the parties agree to commence negotiating an agreement no later than 1 October 2004.

17. Parental Leave

The Company shall comply with the provisions of Ch 2 Part 4 - Parental Leave, of the Act.

18. Discretionary Leave

- (i) The Company, at its discretion, provides leave to Employees to assist in situations declared by the state emergency services organisations. The Company will continue to support such leave subject to the approval at the Regional Manager level, consistent with current practice.
- (ii) Leave granted under this arrangement will be treated as continuous service and having regard to pay supplementation by emergency services organisations, the Company will ensure the Employee receives base rate of pay for any time lost from work.
- (iii) The Company may request "proof of attendance" documentation as part of the discretionary leave approval process.
- (iv) The arrangements contained in sub-clauses (i), (ii) and (iii) of this clause shall apply to Employees wishing to donate blood.

19. Compliance to Laws

- (i) The Company shall comply with the requirements of laws and regulations relating to the road transport industry.
- (ii) Where a Delegate has a specific incident of a suspected breach of compliance to road transport law, the Delegate may raise the suspected breach with their supervisor. Subject to the provisions of the Privacy Act and other commercial arrangements, the Delegate will be shown relevant reports captured on the Company's linehaul system.

20. Settlement of Disputes

- (i) The parties agree that the following settlement of disputes procedure shall apply:
 - (a) The matter should first be discussed at the workplace level between the Employee and relevant management and where requested, a Delegate;
 - (b) If the matter is not settled, discussions shall occur between the appropriate TWU Official Delegate and management;
 - (c) If the matter is still not settled, it shall be discussed between the Branch Secretary (or nominee) of the TWU and the Company. At each discussion, other Company and TWU representatives may be in attendance as required.

- (d) If the matter is still not settled, it shall be submitted to the Commission which shall conciliate the
- (e) The Commission may make a determination, which is binding on the parties, where there is no likelihood that within a reasonable period conciliation or further conciliation will result in agreement.
- (ii) The above steps do not preclude reference of a dispute to the Commission at any stage of this procedure if a party believes it necessary. In these circumstances, the Commission will retain its discretion to refer the parties back to a continuation of this procedure where the Commission considers that course appropriate.
- (iii) While the parties attempt to resolve the matter work will continue as directed by the Company, subject to an Employee's rights regarding health and safety issues in accordance with the Act.
- (iv) The ultimate terms of settlement of the dispute will not be affected in any way nor will the rights of any person involved in or affected by the dispute be prejudiced by the fact that work has continued without interruption.
- (v) The procedures and obligations contained herein will be equally binding on the parties to this Agreement. The decisions of the Commission will be accepted and adhered to by all the parties subject to their appeal rights under the Act. Where yard meetings are held, Company representatives will be given the opportunity to address the yard and propose solutions to any matter in dispute.
- (vi) Notwithstanding the contents of this clause, it has always been the policy of the Company and of the TWU to ensure the supply of blood and any agreed emergency and medical supplies. This also applies to emergency telephony or air-conditioning equipment, which may be required.

21. No Extra Claims

- (i) It is a condition of this Agreement that the TWU on behalf of itself, officers and members shall not make or pursue any extra claims during the operation of this Agreement. Further the parties agree that this Agreement is in full and final settlement of all claims between the parties during the nominal term of the Agreement and that this Agreement, incorporating the Award and any registered Enterprise Agreement, comprehensively regulates terms and conditions of employment.
- (ii) The TWU on behalf of itself, officers and members agrees that where any future agreement provides for wage increases in addition to those contained in this Agreement, then any such wage increase will not become due or payable before 31 March 2005.
- (iii) Nothing in this clause precludes individual sites from agreeing to performance based schemes which will bring benefit to the Company and Employees. Such schemes shall only be implemented by mutual agreement.

22. Leave Reserved

- (i) The parties acknowledge that during the operation of this Agreement there may be a number of Test Case matters determined by the Commission, which may then be the subject of further negotiations between the parties. These Test Case matters may include, but not be limited to, reasonable working hours and protection of employee entitlements.
- (ii) Leave is reserved for the TWU to negotiate a separate service fee agreement with the Company during the life of this agreement.

23. Operation of Agreement

This Agreement shall come into effect on 1 January 2003 and shall remain in force until 31 December 2004.

24. Signatures

EXECUTED as an Agreement

SIGNED by TNT Logistics (Australia) Pty Ltd ABN 63 008 438 239 Pursuant to Section 127(1) of the Corporations Act 2001

DIRECTOR	DIRECTOR
NAME OF DIRECTOR	NAME OF DIRECTOR
Date:	
SIGNED by the Transport Workers Union of Australia, New South Wales Branch	Signed by the Negotiation Committee:
SECRETARY	1. MICHAEL DAVIS
NAME OF SECRETARY	2. DENNIS McDOWALL
	3. TONY UPTON
	4. CON ANNIS
Date:	

ATTACHMENT 1

WAGE RATES

Base rates of pay applicable from the first full pay period on or after the nominated dates:

Current (\$)		New (\$)			
TISA	EA - NSW	1 July 2003	1 December 2003	1 July 2004	1 December 2004

(1) 509.40					
(2) 526.50	(1) 563.22	577.30	591.70	606.50	621.70
(3) 538.40	(2) 576.35	590.80	605.60	620.70	636.20
(4) 548.80					
(5) 575.50	(3) 588.40	603.10	618.20	633.60	649.40
(6) 582.2					
(7) 602.50	(4) 630.70	646.50	662.70	679.30	696.30

Meal Allowance: \$ 9.35 per occasion

First Aid Allowance: \$ 1.82 per day

Note 1: The above allowances will continue to move in line with the TISA.

Note 2: The wage rates and increases provided for under the Agreement shall be kept confidential between the parties and this agreement. It is agreed that a schedule of wage rates be prepared for use by the parties and recorded confidentially on the files of the Industrial Relations Commission, for the purposes of certification. The information will be made available to all employees covered by these rates.

Note 3: As agreed between the parties those employees who are currently paid in line with the TISA will receive the benefits of the agreement pay increases, together with a "catch-up" allowance, so that the TISA rates are bought into line with the general rates paid under this agreement. This "catch-up allowance will be paid in four equal instalments at the same applicable date as the general increases specified in this agreement.

Note 4: Those employees who are currently paid the grade 1 TISA rate, will be moved up to the grade 2 TISA rate effective from March 2003. The new wage rate structure will the commence in line with Note 3 above.

The new wage rates for this group of employees will be:

March 2003 - \$ 526.50

July 2003 - \$ 549.10

December 2003 - \$ 577.30

July 2004 - \$ 602.80

December 2004 - \$ 321.70

These rates will apply whilst employees are operating at a site where the TISA rates are applicable. If these employees move to a site where the current EA rates are applicable, then the EA rates will apply immediately.

ATTACHMENT 2

DELEGATES CHARTER OF RIGHTS

A TWU Delegate, as the workplace representative, shall:

Be treated fairly and perform their role as Union Delegate without any discrimination in the workplace.

Be recognised by the Company as the endorsed representative to represent the Union members in the workplace.

Bargain collectively on behalf of those they represent.

Be paid in accordance with clause 16 of the TNT Logistics (Australia) Pty Ltd - TWU New South Wales

Branch Heads of Agreement (Employees) 2003-2004, to:

Represent the interests of Union members to the Company and industrial tribunals.

Consult with Union members during normal working hours.

Participate in the operation of the Union.

Attend accredited Union education and training.

Have access to new employees to explain the benefits of Union membership.

Respect the right of association of an individual employee.

In recognition of the Company's support, the Company expects the TWU Delegate to:

Encourage members of the TWU to comply with awards and agreements.

Encourage members of the TWU to comply with occupational health and safety rules at all times.

Encourage members of the TWU to follow the dispute settlement procedures at all times.

Have reasonable access to Company resources, such as telephone and facsimile, for the purpose of carrying out their delegate's duties.

Perform their organisational duties as required by the company.