REGISTER OF ENTERPRISE AGREEMENTS

ENTERPRISE AGREEMENT NO: EA04/243

<u>TITLE:</u> <u>Linfox Australia Pty Ltd Colgate-Palmolive Contract</u> Enterprise Agreement 2004

I.R.C. NO: IRC4/3518

DATE APPROVED/COMMENCEMENT: 6 July 2004

TERM: 24 months

NEW AGREEMENT OR VARIATION:

GAZETTAL REFERENCE: 17 September 2004

DATE TERMINATED:

NUMBER OF PAGES: 10

COVERAGE/DESCRIPTION OF

EMPLOYEES: The agreement applies to all employees of Linfox Pty Ltd who are engaged in or connected with providing warehousing services directly on the Linfox/Colgate-Palmolive contract at 93 Williamson Road, Ingleburn NSW 2565 and who fall with the coverage of the Storeman and Packers, General (State) Award.

PARTIES: Linfox Australia Pty Ltd -&- the National Union of Workers, New South Wales Branch

New

LINFOX AUSTRALIA PTY. LTD. COLGATE-PALMOLIVE CONTRACT ENTERPRISE AGREEMENT 2004

1.0 Title

This Agreement shall be referred to as the Linfox Australia Pty. Ltd. Colgate-Palmolive Contract Enterprise Agreement 2004.

2.0 Arrangement

Clause No. Subject Matter

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3. Parties Bound

This Agreement shall be binding on

(A) Linfox Pty. Ltd., (Linfox Australia Pty Ltd.)

(B) All employees whether members of the organisation of employees listed in sub-clause (c) hereof or not, employed in any of the occupations, industries or callings specified in the Storemen and Packers, General (State) Award;

And

⁽C) National Union Workers, New South Wales Branch (the Union).

This agreement shall be registered in the Industrial Relations Commission of NSW pursuant to the provisions of the *Industrial Relations Act* 1996; (the act).

4. Coverage of Agreement

This Agreement is made to cover matters, in or in connection with, providing warehousing services; which is consistent with the industries and callings of the Storemen and Packers, General (State) Award.

4.1 This Agreement applies to all employees of Linfox engaged in or connected with providing the services in accordance with the Storeman and Packers General (State) Award, engaged directly on the Linfox/Colgate-Palmolive contract at the following addresses:

4.2 93 Williamson Road, Ingleburn N.S.W. 2565

5. Period of Operation

5.1 This Agreement shall continue in force for a period of Twenty-Four (24) months from the 25th March 2004, (and after this period) until rescinded in accordance with the act.

5.2 It is agreed that for the duration of the agreement the rates of pay, classifications and conditions of employment expressed within are in substitution for all rates of pay, classifications and conditions of employment expressed in the, Storeman and Packers - General (State) Award.

5.3 The parties undertake to commence discussion three (3) months prior to the expiration of the Agreement, however, this Agreement will continue in force until replaced by a new Agreement: provided this agreement may be terminated in accordance with the *Industrial Relations Act* 1996 (as amended).

6. Relationship to Parent Award

This Enterprise Agreement shall be read, in conjunction with the Storeman and Packers General (State) Award, provided that where there is inconsistency this Agreement will take precedent to the content to the extent of the inconsistency.

Subject to this Enterprise Agreement, any previous unregistered agreements, certified agreements, arrangements will cease to exist with the making of this certified agreement.

7. No Extra Claims

The union and its members undertake that there shall be no further money increases for the life of this agreement, including increases provided by a (State) Wage Case decision. It is agreed that the Award Allowances will increase in line with Award increases in the event it is more favourable than the Enterprise Agreement.

8. Leave Reserve

The Company reserve the right to discuss with the Union the issue of a rolling shift for the Ingleburn operation, during the term of this agreement.

9.0 Employee Commitments

Every employee must at all times:

Perform his/her duties with due care and diligence,

Focus decision-making and responsibilities around customer satisfaction and customer expectations, Ensure the needs of the business are a joint priority in assessing and implementing future initiatives under this Agreement, Comply with the lawful instructions of management whilst improving customer service expectation, via continuous and continual service improvements,

Deal honestly and fairly with each other in the workplace, including the customer and the wider community that the facility services, and not engage in inappropriate behaviour,

Comply with policies, procedures and rules in operation at the time.

Ensure employees attend work when required and report absences immediately to their immediate Supervisor

In respect of policies, procedures and rules, subject to the law these may deal with such matters as: safe work practices, personal grooming and appearance, clothing and footwear, attendance at training programs, behaviour and performance standards, the searching of lockers, private bags and private vehicles, unauthorised absences, provision of full and accurate information and specific work practices. If at any stage an employee is in doubt about current requirements, he/she must seek clarification from his/her supervisor immediately.

In respect of such policies, procedures and rules:

- (a) Linfox will consult with the NUW and, as appropriate, with NUW site-representatives regarding all current requirements and any proposed future requirements.
- (b) Linfox will ensure that all employees are adequately informed of the requirements in place from time to time.

In the case of locker searches, the individual employee and, where he/she wishes, the union delegate or other readily available nominated employee must be in attendance at the time.

All yard meetings during working time for Union business must be at an agreed time, for a short duration without disruption to the operations of the contract.

10. Purpose of Agreement

10.1 Intent

This Agreement has been designed to provide opportunities for Management and staff to develop specific improvements or initiatives in a facility and its services. The Company, in conjunction with its employees, intends to achieve a stable and workable employee relations environment at the facility to provide flexibility, a competitive edge, improved efficiency, and quality services. To this end, the union agrees to work with management and its employees to facilitate:

More innovative working arrangements than exist at present.

Improve the facilities needs/servicing requirements.

Opportunities for staff to participate in new initiatives.

Initiatives which improve business plans/budgets/work-culture and operations.

Management discretion in running its business is also the intent and direction of the Outcomes from this Agreement.

10.2 Continuous Improvement Initiatives

10.2.1 The parties to this Agreement are committed to genuinely identifying and implementing measures as a Team to improve productivity and efficiency at the facility during the life of this Agreement.

10.2.2 Specific measures to be considered as part of a broader agenda may include matters such as:

Improved Service Delivery.

Flexible work patterns.

Work Practice reviews

Continuous service improvement processes.

Minimisation of workers' compensation costs etc.

10.2.3 The Union and employees agree to co-operate in providing arrangements that are more flexible and savings, which complement the facilities, services, and customer requirements (such as eliminating Restrictive Work Practices). The collaborative approach will also involve future Agreement changes being in plain English.

11. Procedures for the Avoidance of Industrial Disputes

Subject to the Act, any dispute shall be dealt with in the following manner:

- (a) The representative of the Union on the job and the appropriate supervisor shall attempt to resolve the matters in issue in the first place.
- (b) In the event of failure to resolve the dispute at job level the matter shall be the subject of discussions between the site delegate and the Contract Manager
- (c) If the matter is not resolved, the Site Delegate shall discuss the matter with an official of his/her union who will then consult with the Contract Manager.
- (d) Should the dispute remain unresolved the Secretary of the Union or a representative shall confer with senior management.
- (e) In the event of no agreement being reached at this stage, the dispute shall be referred to the Industrial Relations Commission for resolution.

Until the Commission resolves the matter and, except in the case of a bona fide safety issue, work shall continue as normal and the status quo remain. In the case of a bona fide safety issue, the company will identify alternative work practice to allow work to continue whilst the dispute is resolved. No party shall be prejudiced as to the final settlement of the dispute by the continuance of work in accordance with this sub clause. (Status Quo is defined as the work practice in place immediately prior to the grievance or dispute.)

Nothing in this agreement in any way limits or detracts from Linfox's rights at law, whether under common law or statute.

12. Discipline Procedures

- 12.1 Subject to circumstances employees whose behaviour, performance, or time keeping is considered unacceptable or requiring improvement shall be counselled as to the company's expectations.
- 12.2 Where such counselling is found to be unsuccessful formal warnings may be necessary. Formal warnings will be issued by the Contract Manager or the on duty Operations Manager and shall be recorded on the employee's file.

The employees concerned shall be invited to have the appropriate Delegate and/or witness present. In issuing warnings, management will advise the employees what actions are deemed necessary to rectify the situation.

12.3 An employee will be given a final warning in writing and advised of the consequences if he/she is found to be not rectifying the situation or it is a serious matter. A final warning in writing will be issued for serious matters.

12.4 Letters of Warning will remain on the employee file as follows-:

FIRST	12 Months
SECOND	12 Months.
THIRD AND FINAL	12 Months.

12.5 Variation

- 12.5.1 The only variation to the aforementioned is, if deemed that in a serious case of misconduct, an employee can be summarily dismissed for matters such as but not limited to-:
 - i) Proven Cases of theft and pilferage (Stealing) of any nature
 - ii) Any form of violence/aggression/intimidation or harassment, sexually or otherwise towards
 - a) Fellow employee/s.
 - b) Company property or staff property.
 - c) Customer and / or their property.
 - d) Member of the public.
 - Refusal to follow or carry out a Lawful and reasonable request/directive given by a Supervisor and or Manager providing such work is within the employee's Skill, Competence, and or Training.
 - iv) The use of or, being affected by, or in possession of illegal drugs and or substances in Company time or on Company property.
 - v) Consumption of alcohol or being intoxicated during working hours.
 - vi) Smoking in any area of the site other than an area set aside as a designated smoking area.
 - vii) Wilful violation of site safety rules (endangering the safety of others on the site).
 - viii) Misuse of Bundy Clock, or other timekeeping apparatus. Eg. Clocking other employees on or off duty.

In cases of Clause 11.5.1 (iv & v) above, the "Revised Linfox Drug and Alcohol Policy" of December 2003. Alternatively, revisions thereof shall be the governing document for the term of this Agreement. Appendix (A)

12.5.2 In cases, that a summary dismissal is warranted, the Company undertakes that the union delegate will be kept advised and that all the relevant procedures will be followed.

13. Occupational Health and Safety

The union agrees with the Company that the safety of its members and others on the site is of paramount importance and will actively encourage its members to sit on the site OH&S committee. The members will fully implement the initiatives that result from the deliberations of the Committee and from Company policies such as random drug and alcohol testing.

13.1 Personal Protective Equipment (PPE)

All employees who are required to work in operational areas of the site, (operational area being defined as an area in which Forklift trucks can or are operating) are required to use company supplied PPE at all times whist on duty. Basic PPE being High Vis Vest or Shirt, and Safety Boots or Shoes.

All employees are supplied with two (2) sets of PPE per calendar year at the company's expense and same will be replaced on a fair wear and tear basis. Such uniforms are to be worn at all times whilst on duty. Uniforms will be replaced on a fair wear and tear basis. All losses, misuse and abuse in excess of the standard issue will be at the employee's expense.

14. Management Initiatives

Nothing in this Agreement shall limit or restrict the Company's right to manage or operate its business at its sole discretion.

15. Manning Levels

The Company is at all times mindful of its staffing levels and therefore will review its level of permanent employees on a case-by-case basis and may adjust its requirements of permanents on a strictly needs of the business basis requirement only.

16. Multi Skilling Initiatives

For the purpose of increasing productivity and flexibility, as well as enhancing career opportunities for employees, multi-skilling will occur to allow employees to perform many tasks within their skills and competence. Multi-skilling will include, but not be limited to, forklift driving, clerical duties, customer service duties, picking/packing, loading/unloading, use of any technology and will be on going to meet business/customer needs. An employer may direct an employee to carry out duties, which are within his/her skill, competence, or for which he / she has received the appropriate training.

When employees are offered overtime, such work is to be whatever is required by the employer to be carried out such as - manual loading/unloading, etc. rather than forklift driving being the only duties.

17. Remuneration of Wages

17.1 Subject to the Enterprise Agreement, employees covered by this agreement shall receive the following Base Wage rates.

Wage increase on Base (38 hour week)

Award Level 38 Hour Week	Current Base Rate	Year 1 Mar 25th 04	Year 2 Mar 25th 05
		4%	4%
Storeman Packer 1	\$634.53	\$659.91	\$686.30
Storeman Packer 2	\$656.17	\$682.41	\$709.70
Storeman Packer 3	\$664.56	\$691.14	\$718.78
Leading Hand (4)	\$691.67	\$719.33	\$748.10
Team Leader (5)	\$710.27	\$738.68	\$768.22

For the purpose of this Agreement and at management discretion, all new employees with the Company shall commence at Level 1 Storeman & Packer Award.

Year (2) two, increases shall be paid in the first full pay period of the anniversary of this document.

Leading Hands will be paid as per Storeman & Packer Grade 4. This higher rate is paid in lieu of any Leading Hand allowance. Only employees employed as a Leading Hand will be entitled to be paid on the higher rate. Team Leaders will be paid as per the Storeman & Packer Team Leader (Grade 5). The higher rate is paid in lieu of any other Leading Hand or Team Leader allowances. Only employees duly appointed to the role of Team Leader will be entitled to be paid at the higher rate.

17.2 Pay Period

The pay period shall operate weekly to cover a 7 day operation. Payroll will be processed via electronic funds transfer.

18. New Technology

All employees agree to cooperate with the implementation of any new technologies and agree they will work in a manner, which is flexible and optimises the full potential of new technology used to serve the business and the customer needs.

19. Consultative Committee

A Consultative Committee will be formed for the ongoing development of this Agreement and continuous exploration of obtaining efficiencies of mutual concern.

20. Training Initiatives

20.1 To enhance Customer needs and ensure effective operational and service initiatives, the Company will at all times be mindful of the need to keep all employees abreast of ongoing training. Unless operational requirements dictate, otherwise the company's intent is that all training will be conducted during ordinary hours, (wherever possible.) All such training will be paid at ordinary base rates only.

21. Probationary Employees

New permanent employees shall be subject to a minimum three-month probationary period. The probationary employee's performance shall be reviewed and discussed on an ongoing basis. Probationary employees who are not satisfactory may be terminated by the provision of one week's notice similarly, if an employee is not satisfied with any working arrangements, the employees may resign within the probationary period on the provision of one week's notice.

22. Meal / Crib Breaks

Meal / Crib Breaks will be taken in a flexible manner, which will be determined by management to suit the operational requirements.

It is agreed that Day workers are entitled to a 20 minute tea break counted as time worked, and a 30 minute lunch break not counted as time worked.

It is agreed that Shift workers are entitled to a 20 minute crib break counted as time worked.

Meal or Crib Breaks can be staggered or worked through to meet operational needs, without penalty as part of flexible arrangements. It is agreed that meal / crib Breaks will be staggered so that there is no less than 50% of the available work force on duty at any given time.

23. Mixed Functions

Shall be as per clause 23 Storemen and Packers, General (State) Award.

24. Housekeeping and Maintenance

The parties bound by this Agreement shall ensure that their equipment and work areas are maintained in a safe, clean, tidy and efficient state and may be requested to undertake other general yard cleaning and housekeeping duties as and when directed.

25. Hours

Flexible hours maybe arranged to compliment business and customer needs, based on an average 38 hour week concept.

- 25.1 For the purpose of increased productivity and flexibility, by mutual agreement in writing employee/s may be required to work ordinary hours in excess of eight (8) ordinary hours and up to a maximum of twelve (12) ordinary hours maybe accommodated under this agreement. Any new arrangement concerning twelve (12) ordinary hours will be in writing. Such ordinary hours will be in accordance with the appropriate State Legislation as applicable.
- 25.2 In providing for flexible ordinary hour arrangements, ordinary hours maybe worked over any five (5) days Monday to Sunday. For ordinary hours worked on weekends employees will be paid a weekend premium of 60% for Saturday and 100% for Sunday on the base wages rates. If overtime is worked then the applicable Award overtime penalty rates apply. In the event the Award is varied for a lesser weekend premium then such premium will apply.
- 25.3 The day work spread of hours will be arranged between 6:00am to 6:00pm to accommodate business needs. By mutual agreement in writing the spread of hours maybe extended by one (1) hour either side to accommodate business needs.
- 25.4 Starting times for day work or shift work maybe staggered or varied to suit business and/or service needs, provided notice is given to the employee/s, including casuals, by giving seven days notice. Where unexpected circumstances occur and by mutual agreement, no notice is required.
- 25.5 Shift allowances will only be paid when actually working shift work.

26. Service Levels

The Company shall establish procedures to achieve the customers' minimum Key Performance Indicator (KPI) Outcomes, to eliminate picking error, checking errors and to accurately construct and load pallets for routing and to develop other initiatives.

27. Rostered Overtime

- 27.1 Overtime will not be guaranteed under any circumstances.
- 27.2 The Distribution Centre Manager, as is required, will allocate such overtime on a roster system, fairly, as to ensure all staff are given equal opportunity.
- 27.3 When a roster is unable to be filled by permanent staff, the Overtime will be offered to casual staff, where practicable,
- 27.4 Where overtime is offered and accepted by an employee, the employee will be required to fulfil any duties required that are with in their skills and training. Such duties could be but are not limited to
 •Forklift driving Gas Trucks and or Electric High Reach Trucks •Receiving and or Loading •Loading or Unloading Containers by hand •Working in the Re-Pack area •Allocating and or shipping orders
 •General House keeping duties with in the boundaries of the site.

28. Public Holidays and Picnic Day

- 28.1 Public Holidays shall be as per the Storemen and Packers, General (State) Award (as amended) Where an employee is rostered for work and is absent, without reasonable cause or employer consent from his/her employment on the working day before or the working day after a public holiday or part thereof. The employee shall not be entitled to payment for said day. Reasonable excuse shall be satisfied by certificate from a duly qualified medical practitioner or a statutory declaration. An employee shall notify the employer of such an absence prior to normal starting time wherever practicable.
- 28.2 Picnic Day Holiday shall be as per subclause (ii) of Clause 24 of the Storemen and Packers, General (State) Award (as amended). The designated day shall be taken in consultation with their Supervisor/Site Manager.

29. Sick Leave Entitlement

29.1 Sick leave will be as per Clause 26. Sick Leave of the Storeman and Packers General (State) Award. Subclause (i) Paragraph's (a) to (i) Having particular regard to Paragraph (i) which states:

"Single - day Absences - As per the Award conditions an employee has an entitlement of two (2) single day absences in every anniversary year which do not require a medical certificate. If in the year he/she has already utilised the mentioned entitlement than he/she will be required to produce a medical practioners certificate to confirm that they were unfit for duties.

Additionally, as per the Award, a medical certificate must be provided for multiple day absences from the workplace.

In the event that the sick leave entitlement has been exhausted the leave will be unpaid. No substitution of payment with additional leave will be allowed.

29.2 In the first year of employment, an employee will be entitled to five (5) days or thirty eight (38) hours, in the second and subsequent years of employment the employee will be entitled to ten (10) days or seventy six (76) hours per year.

30. Casuals

A causal employee is an employee engaged as such and paid by the hour. Casuals maybe engaged in day/shiftwork for two (2) separate periods as part of a Thirty Eight (38) hour week concept and this shall occur as required by the Company. A minimum engagement will be Four (4) hours.

30.1 A casual employee shall not be entitled to provisions such as but not limited to: -

- Termination notice.
- Redundancy provisions.

Annual leave.

Sick leave.

Bereavement leave.

Public holidays.

Jury service.

Parental/maternity leave, etc.

Accidents make up pay.

- 30.2 The company shall, wherever practical and possible notify a casual employee when services are not required the next working day or at the end of a period of casual work.
- 30.3 Casuals maybe employed in a business on continuous engagements at the discretion of the company for a short period. Such a short period is deemed to be a minimum of Six (6) months.
- 30.4 A casual employee for all ordinary time worked, shall be paid an hourly rate of 1/38th of the weekly base wage rate in this agreement, plus a 15% (casual loading). Plus 1/12th in lieu of annual leave, as per the *Annual Holidays Act* 1944, as amended.

31. Anti Discrimination

(Please refer to clause 39 - Anti - Discrimination of the Award).

32. Duress

This Agreement was not entered into under duress by any of the parties bound by it

Signatories

Signed for and on behalf of

Linfox Pty. Ltd. FMCG General Manager

Witnessed	by

Date 21/05/2004

Megan Benger (Print Name)

Signed for and on behalf of

National Union of Workers New South Wales Branch State Secretary	Date 1/06/2004
Witnessed by	Date 1/06/2004

Bernice Curtis J.P.

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