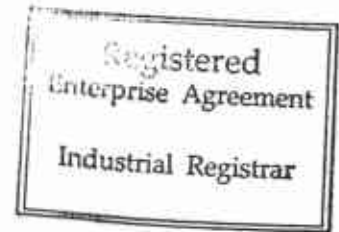


**REGISTER OF
ENTERPRISE AGREEMENTS**



ENTERPRISE AGREEMENT NO: EA98/245

TITLE: Atlas Copco Australia Pty Limited Blacktown Warehouse Enterprise Agreement 1998

I.R.C. NO: 98/4540

DATE APPROVED/COMMENCEMENT: Approved 28 August 1998 and commenced 1 April 1998.

TERM: Expires 31 March 1999

**NEW AGREEMENT OR
VARIATION:** New

GAZETTAL REFERENCE:

DATE TERMINATED:

NUMBER OF PAGES: 10

COVERAGE/DESCRIPTION OF

EMPLOYEES: Employees covered by the Storemen and Packers, General (State) Award at 3 Bessemer Street, Blacktown 2148

PARTIES: Atlas Copco Australia Pty Limited -&- National Union of Workers, New South Wales Branch

ATLAS COPCO AUSTRALIA PTY LIMITED BLACKTOWN WAREHOUSE ENTERPRISE AGREEMENT - 1998

PART A

1. Arrangement



PART A

Clause	Subject Matter
1.	Arrangement
2.	Basic Wage
3.	Application
4.	Parties Bound
5.	Date and Period of Operation
6.	Relationship to Parent Award
7.	Single Bargaining Unit
8.	Consultation
9.	Objectives of the Agreement Measures to Increase the Productive Performance of the Enterprise
10.	Wages
11.	Company Policies and Procedures
12.	Skills Development, Education and Training
13.	No Extra Claims
14.	Avoidance of Industrial Disputes
15.	Not to be Used as a Precedent
16.	National Standards
17.	Continuous Improvement
18.	Renewal of Agreement

PART B
MONETARY RATES



- Table - Wages - Warehouse Personnel
- Attachment 1 - Objectives of the Agreement and Measures to Increase the Productive Performance of the Enterprise
- Attachment 2 - Atlas Copco Australia Pty Limited Redundancy Formula and Agreement

2. Basic Wage

This agreement, in so far as it fixes rates of wages, is made by reference and in relation to the adult basic wage as set out in Part B, Monetary Rates.

3. Application

This agreement shall apply at Atlas Copco Australia Pty Limited, 3 Bessemer Street, Blacktown, N.S.W. to all employees who are bound by the terms of the Storemen and Packers, General (State) Award published 6 September 1991 (264 I.G. 1665), as varied, in so far as those provisions relate to the parties referred to in clause 4, Parties Bound.

4. Parties Bound

The parties to this agreement are:

- (a) Atlas Copco Australia Pty Limited, 3 Bessemer St, Blacktown.
- (b) All employees, whether members of the organisation of employees listed in subclause (c) of this clause or not, engaged in any of the occupations, industries or callings specified in this agreement.
- (c) The National Union of Workers.

5. Date and Period of Operation

This agreement shall take effect from the 1 April 1998 and remain in force until 31 March 1999.

6. Relationship to Parent Award

This Agreement shall be read and interpreted wholly in conjunction with the Storeman and Packers, General (State) Award, provided that where there is any inconsistency between this agreement and the parent award, this agreement shall take precedence to the extent of the inconsistency.

7. Single Bargaining Unit

For the purpose of negotiating this agreement, a single bargaining unit was established with a negotiating committee consisting of four employee representatives, their own union officials and five management representatives.

8. Consultation

The process for the parties to this agreement to consult with each other and agree about matters involving changes to the organisation or performance of work is:

- (a) For discussion points listed in, but not limited to, Attachment 1 - Objectives of the Agreement and Measure to Increase the Productive Performance of the Enterprise: by consultative committees consisting of employee members and the management representatives from those functional areas meeting at a minimum of once per month during work hours; and
- (b) for monitoring the conformance with the progress and terms of this agreement: by the members of the Bargaining Committee for each Division, as elected or appointed from time to time, and senior management of that Division meeting at a minimum of once per each two months, during work hours.

9. Objectives of the Agreement and Measures to Increase the Productive Performance of the Enterprise

The parties to this agreement agree to undertake to improve the effectiveness and efficiency of each Atlas Copco Australia Pty Limited, Blacktown, by participating in workplace consultative committees to discuss, develop and implement the systems and procedures required to achieve the productivity improvements appearing in Attachment 1 - Objectives of the Agreement and Measures to Increase the Productive Performance of the Enterprise, as at clause 8, Consultation.

10. Wages

- (a) Upon the making of this agreement, wages will be increased by one three per cent increment as set out in Table 1 - Wages - Warehouse Personnel, of Part B, Monetary Rates. The resulting Atlas Copco Australia Pty Limited rates for each grade will be in accordance with the said Table 1.
- (b) The wage increases specified in subclause (a) of this clause shall constitute part of the all-purpose rate of pay in respect of employees covered by this agreement.
- (c) The wage increases referred to in subclause (a) of this clause shall not be absorbed into any overaward payment.
- (d) There shall be no further wage increases for the life of this agreement.

11. Company Policies and Procedures

(a) **Health and Safety** - Atlas Copco Australia Pty Limited is committed to promoting a safe and healthy workplace for all employees and it is the aim of this agreement that all parties actively support and adhere to the detail of Company policy. Specifically, it is agreed that all parties will utilise the Safety Committee as second point of contact on all health and safety matters, after first advising their supervisor.

All parties agree to work together, through the Workplace Safety Committee, to increase the standard of safety within the workplace and encourage a more visible use of safety equipment and practices.

(b) **Environment** - This agreement confirms the intention of all parties to discuss and agree upon means of adhering to the Atlas Copco Australia Pty Limited Environmental Management policy and procedures.

(c) **Electronic Funds Transfer** - This agreement confirms the intention of all parties to consider the system of payment of all employees by electronic funds transfer in accordance with clause 12, Payment of Wages, of the Storemen and Packers, General (State) Award.

(d) **Uniforms and Protective Clothing** - Atlas Copco Australia will continue to provide Company uniforms, cool weather and protective clothing, wet weather gear and safety boots/equipment, as follows:

Five shirts, three trousers/shorts. Employees shall perform their own laundry.

Cool weather clothing will consist of an Atlas Copco bomber-style jacket and/or a pullover. Wet weather clothing will be made available to those personnel required to work out-of-doors during wet weather. It will consist of:

- (1) wet weather trousers; and
- (2) wet weather jacket with hood.

Any review of uniforms policy will involve consultation and agreement with all relevant parties.

Items of uniform/protective clothing/equipment issued, will be exchanged, due to fair wear and tear, as required and approved by the supervisor.

(e) **Job advertising** - The Company policy that job vacancies be advertised internally shall continue, in order that:

- (1) all personnel have access to information on staffing movements and opportunities;
- (2) all personnel have equal opportunity to apply for promotion; and
- (3) divisional transfers occur with no loss of benefits or conditions.

The Company policy that any person wishing to make applications for a vacancy continues to apply. After notification to the immediate supervisor, the interested employee is to then make a formal application through the Human Resources section.

(f) **Casual Labour** - All parties agree to the use of casual or contract labour in circumstances where business demands justify it (on a short term basis, reviewed monthly), given that relevant

union delegates are consulted beforehand, by the supervisor. Such casual or contract personnel should be union members. It is not the intention of this agreement that casual or contract labour be used to replace permanent employees. Permanent employees have priority over casual labour when overtime is available.

(g) **Rostered Days Off (RDO)** - The RDO provisions as agreed in November 1995 of Atlas Copco Australia Pty Limited Warehouse personnel will continue to apply for the duration of this agreement.

(h) **Redundancy** - The redundancy entitlements and provisions applying to this agreement are as set out in Attachment 2 - Atlas Copco Australia Pty Limited Redundancy Formula and Agreement.

Atlas Copco Australia Pty Limited is committed to conferring with the relevant personnel and the union prior to undertaking any redundancy action.

(i) **Union Meetings** - Parties to this agreement confirm that notice of consultative committee report back meetings, held in paid Company time, shall be given to the supervisor or Human Resources Manager 24 hours prior to the meeting and that such meetings shall be of 30 minutes duration, commencing at 8.30 am.

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12. Skills Development, Education and Training

(a) **Skill Competency Reviews and Training Needs** - It is agreed that regular skill competency reviews will be conducted for all personnel, party to this agreement, to identify training and personal development needs and to enable plans to be developed and implemented for the provision of appropriate, accredited training.

Skill competency reviews and training plans will be monitored through the workplace consultative committees.

(b) **Assistance with Study** - This agreement acknowledges the Atlas Copco Australia Pty Limited assistance with study policy and confirms the continuation of Company encouragement and assistance to all personnel who wish to undertake external work related studies.

(c) **Personal Development** - This agreement confirms the intention of all parties to work towards "total development" of all personnel. This will involve training and development in technical and directly job-related areas, as well as areas of personal development such as communication skills, time management and supervisory development.

These skill areas will be identified during the Skill Competency Reviews and assessment in accordance with national competency standards.

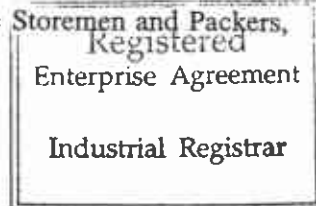
(d) **Job Descriptions** - Job descriptions, for all positions, are to be regularly reviewed, revised, agreed and documented to ensure relativity to relevant award classifications and national competency standards.

13. Extra Claims

It is a term of this agreement that the unions and all employees bound by this agreement will not pursue any extra claims, award or overaward, for the life of this agreement, including increases arising from award variations or decisions of the Industrial Relations Commission of New South Wales other than increases that are consistent with the terms of this agreement.

14.Avoidance of Industrial Disputes

The parties to this agreement shall observe clause 5, Dispute Procedure, of the General (State) Award.



15.Not to be Used as a Precedent

This agreement shall not be used in any manner whatsoever to obtain similar arrangements or benefits in any other plant or enterprise.

16.National Standards

This agreement shall not operate so as to cause an employee to suffer a reduction in ordinary time earnings or in national standards, such as standard hours of work, annual leave or long service leave.

17.Continuous Improvement

Management, the union and the employees covered by this agreement are committed to searching for areas where improvements can be made and implementing such improvements as part of this agreement. This includes commitment to, and support of, the implementation of a customer focused quality system and achievement of certification in accordance with the AS/NZS ISO 9000 - 1994 series of standards.

18.Renewal of Agreement

Negotiations shall commence no later than two months prior to the expiry of this agreement to consider the nature of changes, if any, to a replacement agreement.

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**PART B
MONETARY RATES**

Table - Wages - Warehouse Personnel

(a) Upon certification and registration of this agreement, wages will be increased as follows:

Classification	Atlas Copco Rate as at March 1998	Atlas Copco Rate as at 1 April 1998
A	B	C
Storeworker Grade 1	514.00	529.40
Storeworker Grade 2	535.30	551.35
Storeworker Grade 3	551.70	568.25
Storeworker Grade 4	570.00	587.10
Storeworker Grade 5	N/A	N/A

(b) Wages will be increased in accordance with Column (C) on the first full pay period commencing on or after 1 April 1998.

**Attachment 1
Objectives of the Agreement and Measures
to Increase the Productive Performance of the Enterprise**

Atlas Copco Construction and Mining Australia (Warehouse), Atlas Copco Compressors Australia (Warehouse) and Atlas Copco Tools Australia (Warehouse)

The management and employees of Atlas Copco Construction and Mining Australia (Warehouse) Atlas Copco Compressors Australia (Warehouse) and Atlas Copco Tools Australia (Warehouse), undertake to consider and implement systems and procedures to:

1. Order Picking/Despatch -

- (a) Develop systems and procedures to ensure all orders printed off to be despatched by close-of-business each day.
- (b) Develop more efficient and formal systems to handle breakdown and urgent late orders.
- (c) Develop system and procedures for despatching roadboxes to CSC warehouses several per week.

2. Receiving -

- (a) Develop methods and procedures to ensure all incoming goods are received completely within two days of arrival.
- (b) Develop efficient systems and procedures to handle urgent receipts ("priority unpacks"), to ensure same-day despatch to customers.
- (c) Develop systems and procedures to identify unprocessed receipts.

3. Packing Material -

- (a) Develop methods to ensure maximum amount of incoming packaging material is recycled to reduce packaging costs.

4. Damages/Losses -

- (a) Develop systems and procedures to reduce loss and damage to warehouse stock.

5. Housekeeping -

- (a) Develop and monitor systems and procedures to ensure that the warehouse and employees maintain the highest standards of presentation at all times.

6. Capital Equipment/New Technology -

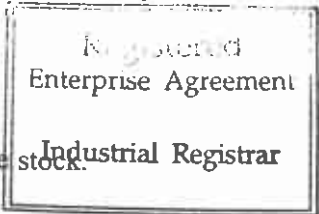
- (a) Jointly monitor technological developments to identify potential capital equipment opportunities to reduce costs and/or increase customer service levels (e.g, introduction of bar coding).

7. Absenteeism -

- (a) Develop means to reduce employee absenteeism.

8. Customer Satisfaction/Service -

- (a) Increase the levels of efficiency of the operations and the standard of service provided to the customers by reviewing/revising the current RDO practices.



Attachment 2

Atlas Copco Australia Pty Limited Redundancy Formula and Agreement

1. Atlas Copco Australia Pty Limited (the Company), agrees to notify the appropriate union shop steward prior to a retrenchment.
2. Whilst recognising that the Company has the right to employ and terminate, it accepts that any retrenchment be on a basis of volunteers within the Division or otherwise on individual merit will be accepted and entitled to retrenchment provisions, except for re-employment preference.
3. Pay in Lieu of Notice -
The company will pay:

Less than three years' service	two weeks
Three years' and less than four years; service	three weeks
Four years' service or more	four weeks
If employee is over 45 years of age	additional one week
If employee is over 55 years of age	a further additional one week
4. Redundancy Pay -
 - (a) For service as a permanent employee of less than one year, the Company will pay a minimum of five days' pay.
 - (b) For service as a permanent employee of more than one year, the Company will pay 17 days' pay for each year of service, calculated on completed years and months with a maximum of 100 weeks payable.
 - (c) The Company will pay out untaken sick leave credits.
 - (d) The Company will pay out untaken annual leave credits and include the 17.5 per cent loading.
 - (e) The Company will pay long service leave entitlements on a pro rata basis after 2.5 years service.
5. The Company will extend preference for re-employment to a retrenched employee, other than a volunteer, should a suitable vacancy for the person occur within a period of six months from the date of retrenchment. Such offer will be made in writing and must be replied to, by the person, within three days of the estimated date of receipt of the offer.
6. The retrenched employee will not receive less than the relevant award entitlement.



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(Signature)

State Secretary

National Union of Workers -
New South Wales Branch

Dated this 19TH day of AUGUST. 1998

Atlas Copco Australia Pty Limited

A handwritten signature in cursive script, written over a horizontal line.

(Signature)

Gerry McDonald
Human Resources Manager

Dated this 10 day of August 1998