

**REGISTER OF
ENTERPRISE AGREEMENTS**

ENTERPRISE AGREEMENT NO: EA99/211

TITLE: Red Australia Mascot Branch Agreement 1999

I.R.C. NO: 99/4116

DATE APPROVED/COMMENCEMENT: 16 August 1999

TERM: Expires 28 April 2000

**NEW AGREEMENT OR
VARIATION:** New

GAZETTAL REFERENCE:

DATE TERMINATED:

NUMBER OF PAGES: 13

COVERAGE/DESCRIPTION OF

EMPLOYEES: Applies to all service and parts employees engaged in any of the occupations, industries or callings specified in the Metal and Engineering Industry (NSW) Interim Award and the Metal and Engineering Industry (State Wage Case 1996) (Wages) Award. This agreement shall apply at the establishment of Red Australia Coward St West, Mascot, NSW

PARTIES: Red Australia Equipment Pty Ltd -&- Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union, New South Wales Branch

TO: _____
OFFICE _____
RE: _____
DATE: _____
SIGNED _____ JS

RED AUSTRALIA EQUIPMENT PTY LTD

**RED AUSTRALIA
(MASCOT)**

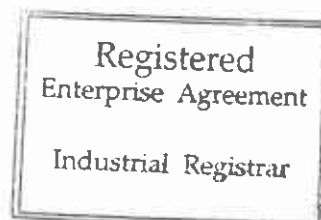
**ENTERPRISE BARGAINING AGREEMENT
1999**

Thursday 29 April 1999

**Registered
Enterprise Agreement**
Industrial Registrar

RED AUSTRALIA MASCOT
ENTERPRISE AGREEMENT 1999

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1. TITLE

This Agreement shall be referred to as the Red Australia Mascot Branch Agreement 1999.

2. APPLICATION AND INCIDENCE OF AGREEMENT

2.1 This Agreement shall apply at the establishment of Red Australia Coward St West, Mascot, NSW.

2.2 The incidence of this Agreement shall be prescribed by the provisions of the Metal and Engineering Industry (NSW) Interim Award, and the Metal and Engineering Industry (State Wage Case 1996) (Wages) Award insofar as those provisions relate to the parties referred to in Clause 3 – Parties Bound by this Agreement and engaged in the business and electrical, mechanical repair and spare parts persons.

3. PARTIES BOUND

This Agreement shall be binding on:

3.1 Red Australia Equipment Pty Limited trading as Red Australia Equipment Pty Ltd Mascot Branch;

3.2 All service and parts employecs engaged in any of the occupations, industries or callings specified in the Metal and Engineering Industry (NSW) Interim Award and the Metal and Engineering Industry (State Wage Case 1996) (Wages) Award;

3.3 Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union New South Wales Branch.

4. DATE AND PERIOD OF OPERATION

4.1 This Agreement shall operate from the beginning of the first pay period to commence on or after the date of acceptance and shall remain in force for a period of twelve (12) months, expiring on 28 April 2000.

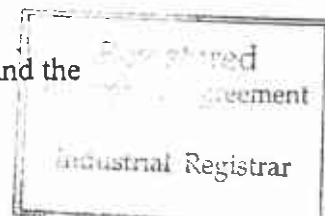
5. IMPLEMENTATION

5.1 The Agreement shall be subject to continuous monitoring and review periods of no less than monthly to ensure that expected performance improvement actually occurs. In particular, adverse movement in the productive performance measures will be a primary trigger for the review procedure.

5.2 An implementation committee, consisting of a number of personnel from within the company will be established. (See clause 9.3). This committee will:

(a) formulate key performance indicators to serve as a measure for performance and customer service improvements;

(b) monitor the successful implementation of this Agreement and the achievement of key performance indicators; and



- (c) consider matters likely to have an impact on the performance and/or structure of the business and agree on changes necessary in response to these matters.

5.3 In the event that performance fails to match expectations, or subsequently deteriorates, the following steps will be taken:

- (a) The Implementation Committee will investigate and determine the potential cause(s) for shortfall in performance.
- (b) Where causes are determined, a plan for corrective action will be developed and implemented in order to regain the appropriate performance against the performance measures.
- (c) Where the Implementation Committee is unable to determine potential cause(s) the union delegate (or nominee) and National Manager - Human Resources shall be informed. Every effort shall be made to identify and rectify the potential cause(s).
- (d) The service manager will arrange for summaries of the minutes of the regular monthly meeting to be emailed to the National Manager - Human Resources.
- (e) The Company will provide the Committee with such information as is necessary to ensure its effective operation.

6. RELATIONSHIP TO PARENT AWARD

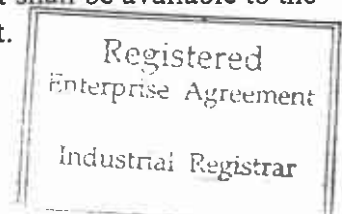
This Agreement shall be read and be interpreted, wholly in conjunction with the Metal and Engineering Industry (NSW) Interim Award, and the Metal and Engineering Industry (State Wage Case 1996) (Wages) Award as amended from time to time. The exception to this being where there is any inconsistency with the awards, then this Agreement shall take precedence to the extent of the inconsistency.

7. WAGE INCREASE

7.1 The wage increase prescribed by this Clause shall be applied to the employees' base rate of pay which includes the employee's ordinary award rate, over-award margin and tool allowance as at 28 April 1999, known as the company base rate. The base rate of pay for each employee prior to the Agreement is recorded in a written form in the wages records of the Company which will be maintained in the Company's office.

Wage increases of 5% of the company base rates shall be paid when the agreement is endorsed by the union and shall be backdated to the date the employees accepted the agreement.

7.2 A 'bonus' that equates to 5% of company base wage earned between the period 24 November 1998 and the date of acceptance of this agreement shall be available to the employees if the performance targets set in clause 11 are met.



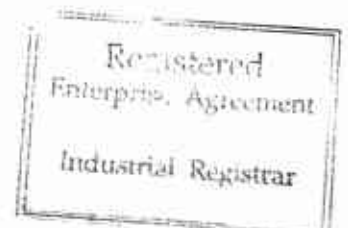
- 7.3 All elements of the performance targets as determined by the consultative committee (as determined in clause 10) must be met before any payment is made.
- 7.4 The 'bonus' payment will be made within one month of the conclusion of the target period.
- 7.5 The employee must be employed with the company at the time of payment of the bonus to receive the bonus.
- 7.6 The Parties shall not make or pursue any extra wage or other claims until the expiration of this Agreement.
- 7.7 Any State Wage Case or other award variations will be absorbed in the increases provided by this Agreement.

8. CODE OF CONDUCT

The company will continue to operate a "Code of Conduct", which will be observed by employees for matters of company policy and/or procedure and all new employees will receive and sign a copy of the document.

9. SINGLE BARGAINING UNIT

- 9.1 For the purpose of negotiating this Agreement a single bargaining unit has been established.
- 9.2 It is defined by the business unit known as the Mascot branch of Red Australia. It is a separate business unit from all other Branches/Sub-Branches of Red Australia Equipment Pty Limited.
- 9.3 An Implementation Committee representing the employee organisations within the business unit and management has been formed for the purpose of preparing and implementing an Enterprise Agreement.
- 9.4 Organisations represented are:
- Red Australia Equipment
 - Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union New South Wales Branch
 - The committee shall be formed of 3 members from each party.
- 9.5 A representative of Red Australia Equipment will be the chairperson of this Committee. The chairperson shall have no casting vote rights.
- 9.6 This Committee has an ongoing role to foster consultation and co-operation as well as the goals of productivity, efficiency and flexibility.



10. MEASURES TO ACHIEVE GAINS IN PRODUCTIVITY, EFFICIENCY AND FLEXIBILITY

- (a) Measures designed to achieve real and demonstrable gains in productivity, efficiency and flexibility have been implemented and are set in clause 11. In addition all employees agree to continue to seek improvements in productivity as outlined in Annexure A, the TNT Komatsu Forklifts Mascot Enterprise (State) Award 1997 and the TNT Komatsu Forklifts Mascot Enterprise (State) Award 1996 and the TNT Komatsu Forklifts Mascot Branch Enterprise Bargaining Agreement 1993.

11. BONUS TARGETS

- 11.1 A consultative committee shall be formed to determine the targets that are required for the 'bonus' to be payable.
- 11.2 The period from which the consultative committee will be responsible for implementing and achieving the targets will be from the date the agreement was accepted until the 24th November 1999.
- 11.3 The consultative committee is defined in more detail in clause 13.

12. NO DISADVANTAGE

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.

13. CONSULTATIVE COMMITTEE

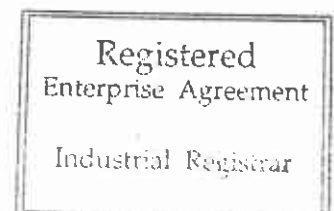
A workplace Consultative Committee comprising of site management and site employees shall be established.

The productivity committee shall consist of representatives from company management and elected employees from the Mascot branch. The branch employees shall select their representative by vote.

The productivity committee shall meet monthly to implement, monitor, review and report on the progress of the branch towards achieving of the targets.

The Committee shall:

- (a) formulate achievable key performance indicators to serve as a measure for productivity and customer service improvements;



- (b) monitor the successful implementation of this Agreement and the achievement of key performance indicators; and
- (c) consider matters likely to have an impact on the performance and/or structure of the business and agree on changes necessary in response to these matters.

The Company will provide the Committee with such information as is necessary to ensure its effective operation.

In the event that the Committee is unable to reach agreement on the implementation of any matter proposed by the Company, the matter shall be resolved in accordance with the dispute settlement procedures in Clause 17.

14. AGREEMENT TO BE DISPLAYED

The Company shall ensure that copies of this Agreement are displayed at all times in a prominent place on site.

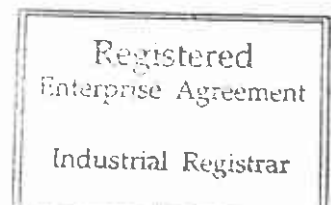
15. NEW EMPLOYEES TO BE INFORMED OF TERMS OF AGREEMENT

The Company shall not offer employment to applicants for employment without first advising the applicant of the existence of this Agreement and providing access to a copy for perusal.

16. PROCEDURES RELATING TO GRIEVANCES OF INDIVIDUAL EMPLOYEES

The following procedure will apply when an individual employee has a grievance:

- (a) the employee shall notify his/her immediate supervisor as to the substance of the grievance, request a meeting with the supervisor and indicate the remedy being sought,
- (b) if the grievance remains unresolved following the requested meeting, it shall be the subject of further discussions between the employee and the Company on a graduated basis with a view to resolution at higher levels of authority.
- (c) reasonable time limits must be allowed for discussion at each level authority,
- (d) at the conclusion of the discussion, if the matter has not been resolved, the Company shall provide a response to the employee regarding the grievance, including reasons for not implementing any proposed remedy; while the procedure is being followed, work shall continue as normal; and
- (e) the employees may elect to be represented by the Union representative (or nominee) on site at the initial discussion.



17. **PROCEDURES RELATING TO DISPUTES BETWEEN THE COMPANY AND EMPLOYEES**

Commitment of Procedure

The parties shall take all necessary steps to ensure that delegates, officers, officials, employees/Union members and Company executives and staff follow the procedure set out below. The intention is that any dispute shall be promptly resolved by discussions in good faith without work restrictions, bans, stoppages or lockouts occurring.

The parties shall respectively notify each other as soon as possible of any industrial matter that might give rise to a dispute.

The Procedure

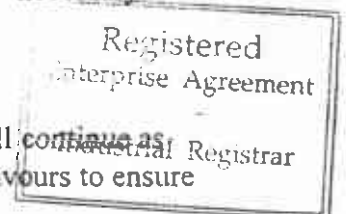
- (a) In the event of a dispute or difficulty arising at job level, the employee(s) concerned and/or the Union delegate and the relevant supervisor and/or other management will immediately confer and attempt to resolve the matter without delay.
- (b) If no agreement is reached, a Union organiser (or their nominee) will discuss the matter in dispute within 48 hours with the relevant Manager (or their nominee).
- (c) Following the above procedures, the National Manager - Operations of Red Australia Equipment in the business (or their nominee) and the State Secretary of the Union (or their nominee) will confer within 24 hours about the dispute. The purpose of these discussions will be to attempt to resolve the matter as early as possible.
- (d) Following the procedures described in paragraph (c) the Corporate General Manager of Red Equipment Australia in the business (or their nominee) and the State Secretary of the union (or their nominee) will confer within 24 hours about the dispute. The purpose of these discussions will be to attempt to resolve the matter as early as possible.
- (e) The parties agree to ensure that the status quo is maintained during the procedure referred to in this Clause without limiting the Company's right to reasonably exercise its managerial prerogative.

Right to Refer to the Commission

- (a) Following the exhaustion of all the procedures outlined above, Red Australia or the Union (or nominee) may refer the matter either by agreement or individually to the Commission.
- (b) The above steps shall not preclude reference of a dispute to the Commission at any stage of this procedure if Red Australia or the Union believes it necessary.

Continuity of Work

Pending the completion of the procedure set out in this Clause, work shall continue as required without interruption and the parties agree to use their best endeavours to ensure that continuation.



Presentation of Rights

The ultimate terms of settlement of the dispute shall not be affected in any way nor shall the rights of any person involved in or affected by the dispute be prejudiced by the fact that work has continued without interruption.

Procedure and Obligations

The procedure and obligations contained in this Agreement shall be equally binding on Red Australia, the Union and employees. The decision of the Commission shall be accepted and adhered to by Red Australia, the Union and employees subject to appeal and other rights under the Industrial Relations Act.

18. DURESS

No party in this agreement entered this agreement under duress.

19. ADJUSTMENT TO PREVIOUS AGREEMENTS.

1. The intention of this adjustment is to recognise a change to the code of conduct contained in the enterprise agreements between the company and employee prior to 1993.

Trades assistants and Parts Interpreters in the previous agreements have been listed at a relativity of 95% of the base rate. The parties agree that the correct relativity is 92.4%

Storeman and Cleaners in the previous agreements have been listed at a relativity of 90% of the base rate. The parties agree that the correct relativity is 87.4%.

The company will not reduce the percentage of any employees whose code of conduct states a rate higher than the amended codes of conduct and the percentage will stay at the existing level until termination or transfer to a different position of the employee.

2. The intention of this adjustment is to clarify the definition of the service allowance payment.

The payment of the Service allowance is for all Tradespersons, Trades Assistants and parts Interpreters who have specific experience in the forklift industry.

1 Year	\$10 per week payment
2 years	\$15 per week payment in total (increase of 5 dollars)
3 years	\$20 per week payment in total (increase of 5 dollars)

There shall be no further increases after three years experience and the total payment after three years shall be \$20.

Trade assistants and parts Interpreters are entitled to 92.4% of the above.

Storepersons are entitled to 87.4% of the above.

Apprentices who served their time in the forklift industry will on completion of their apprenticeship be entitled to Year 1 Allowance (\$10.00)

Clause 20 Casual Employees

It is the intention of Red Australia Equipment to employ permanent full time employees. Casual employees may be engaged subject to the employment needs within the branch or department.

Circumstances where this may be the case include but are not limited to when there is insufficient justification for either permanent or part-time employment or because of insufficient or irregularity of workload.

The company has the principle that the company will, after three months, review the casual employee with the view to place them as a permanent employee.

All casual labour shall be paid no less than the ordinary time shop rate of the equivalent classification plus appropriate loadings as per the award.

Clause 21 Redundancy Policy

Red Australia Equipment has a redundancy policy that will remain in place for the term of this agreement.

The current policy is to provide:

- i) 3 weeks per year of service. Incomplete years of service will be recognised on a pro rate basis.
- ii) Annual leave and Long Service Leave will be available as provided for as per the relevant state acts.
- iii) Notice or payment in lieu of notice will be given or paid in accordance with the requirements in the relevant parent award.

All other award procedures will be fully adhered to and followed.

Registered
Enterprise Agreement
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ANNEXURE A

– PRODUCTIVITY INITIATIVES from the TNT Komatsu Forklifts Mascot Enterprise (State) award 1997.

Purpose:

The purpose of this EBA is to provide a customer service focus in all our endeavours.

Role of Technical Staff in the Corporate Vision:

Our vision is to be the premier supplier in Australia of Materials Handling Solutions that are innovative, timely and cost effective. In order for this vision to achieve reality it is necessary for all staff to perform to their optimum in a positive and co-operative environment.

Role of Technical Staff in our Commitment to Customers:

It is our commitment to exceed our customer's expectations with a superior level of service through our highly qualified and trained team. To supply quality products and services consistent with market needs.

TNT Komatsu Forklift's technical staff are our representative. On a daily basis our field staff visit our customers. The technical staff are crucial to our success and this fact needs to be recognised. Our technical staff need to be provided with the training, empowerment and recognition that is supportive of them being professional and to fulfilling our customer needs.

This agreement therefore contains a number of elements being:-

1. Proposal on a service delivery criteria for our customers.
2. Proposal for increased workshop productivity and efficiency.
3. Proposal for spare parts tracking and opportunity for additional sales.
4. The introduction of self managed teams who are responsible for identifying the completion of the customer service schedule.
 - i. Identification and trending for greater efficiencies.
 - ii. Spare Parts sales opportunities.

These objectives will be discussed at weekly meetings of teams who will provide a monthly report to the branch Manager. An opportunity for self development will be provided to our technical staff by the monthly rotation of the chair of the weekly self managed teams.

5. A continuous improvement team will be required to collate historical data and develop a model of the current picture.
6. **Our culture and values:** Integral within the intent of this EBA is the recognition that our people are our greatest asset. That in order for this company to continue to move forward, we all have a joint responsibility to build a culture built on trust and mutual respect. That in valuing each other we relate with honesty and openness, and provide clear leadership and direction to our staff. These cultural values are non-negotiable and are exhibited by all.

7. **Training:** It is recognised that further training is required for all and in particular our technical staff will require additional training on conducting and Chairing meetings and customer relations.

Outlined below is a three point plan that encompasses the workshop staff, spare parts staff and field service staff. This plan covering the three points of contact with our customers is a combined team effort of all staff designed to secure our future by providing a service to our customers that is the best in the industry.

PRODUCTIVITY INITIATIVE 1.

Field Service Mechanics on a breakdown call out will implement the company ten point Safety maintenance check list.

Objective:

- To be pro-active in the provision of service to our customers.
- To provide an additional service of value to our customers without cost.
- To increase the professionalism of our team in the eye of the customer.
- To prevent losses to the customer that arise from unscheduled down time.

Monitoring Process:

Will be done weekly on a peer assessment process. Rotating chair will be responsible to provide a weekly report to Branch Manager and a written monthly report for sign off by Branch Manager.

PRODUCTIVITY INITIATIVE 2.

Increase effectiveness of productivity. Implementation of safety/maintenance check list. On all workshop work.

Objective:

It is the responsibility of the workshop quotes going Overtime.

Monitoring Process:

It is the responsibility of the workshop to be the quotes back on time.
Monthly report to the Branch Manager with recommended remedial action.
Additional work found on quote to be itemised separately.

PRODUCTIVITY INITIATIVE 3.

Down time due to lack of spare parts to be tracked in a monthly report to the Branch Manager provided by parts section.

Objective:

To identify gaps in the stock replenishment schedule that should be overcome after balancing.
Stock control/inventory costs against down time costs.

Monitoring Process:

Monthly report to be provided to Branch Manager.



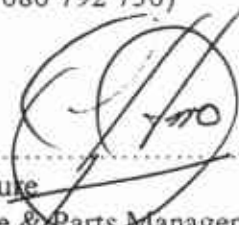
INDUSTRIAL RELATIONS ACT 1991


Certified Copy of Enterprise Agreement

Red Australia (Mascot) Enterprise Agreement

It is hereby certified that the above mentioned agreement was registered on 1999.
This and the previous eight (8) pages are a true copy of the registered enterprise agreement

SIGNED for and on behalf of)
RED AUSTRALIA EQUIPMENT)
PTY LIMITED)
(ACN 080 792 730))


.....
Signature
Service & Parts Manager
Mascot


.....
Corporate General Manager
Red Australia Equipment Pty Limited

SIGNED on behalf of the)
AUTOMOTIVE, FOOD, METALS,)
ENGINEERING, PRINTING AND)
KINDRED INDUSTRIES UNION)
NEW SOUTH WALES BRANCH)

.....
State Secretary

Registered
Enterprise Agreement

Industrial Registrar

INDUSTRIAL RELATIONS ACT 1991

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Signature
Service & Parts Manager
Mascot



.....
Corporate General Manager
Red Australia Equipment Pty Limited

SIGNED on behalf of the)
AUTOMOTIVE, FOOD, METALS,)
ENGINEERING, PRINTING AND)
KINDRED INDUSTRIES UNION)
NEW SOUTH WALES BRANCH)

.....
Acting State Secretary
State Secretary

