

REGISTER OF
ENTERPRISE AGREEMENTS

ENTERPRISE AGREEMENT NO: EA99/47

TITLE: Mayne Logistics, Howard Smith Group NSW (Blackwoods Steel Warehouse Smithfield & AE Baker Steel Warehouse Blacktown) Enterprise Agreement, 1998

I.R.C. NO: 98/6830

DATE APPROVED/COMMENCEMENT: 12 January 1999

TERM:

NEW AGREEMENT OR
VARIATION: New

GAZETTAL REFERENCE:

DATE TERMINATED: 30 June 2000

NUMBER OF PAGES: 9

COVERAGE/DESCRIPTION OF

EMPLOYEES: applies to employees of Mayne Logistics, (Blackwoods Steel Warehouse Smithfield & AE Baker Steel Warehouse Blacktown) engaged in steel warehousing and related services at those locations

PARTIES: Mayne Nickless Limited t/as Armaguard -&- National Union of Workers, New South Wales Branch



MAYNE LOGISTICS, HOWARD SMITH GROUP (NSW)
AND
NATIONAL UNION OF WORKERS
ENTERPRISE AGREEMENT, 1998



SECTION 1 - INTRODUCTION

Clause 1 : Title

This Agreement shall be titled The Mayne Logistics, Howard Smith NSW (Blackwoods Steel Warehouse Smithfield & A.E. Baker Steel Warehouse Blacktown) Enterprise Agreement, 1998.

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Clause 3: Purpose of the Agreement**(i) Intent**

The Agreement provides the Company and its employees the opportunity to develop specific improvements and initiatives within the business. The Company, in conjunction with its employees and the Union, intends to maintain stable and workable employee relations at each business unit and site, through greater flexibilities, a competitive edge and improved efficiencies and quality services, including :

- more dynamic and innovative working arrangements
- improved business and customer service
- new technologies and related initiatives
- opportunities for staff to participate in new initiatives

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(ii) Continuous Improvement Activities

The parties are committed to identifying and implementing ways to improve productivity and efficiency at the enterprise level during the life of this Agreement. To this end, the employees shall actively support the Company's Total Quality Management principles and the parties shall examine and mutually agree specific productivity and efficiency initiatives including, but not limited to, key performance indicators, improved customer services, flexible work patterns, work rosters and workers compensation.

(iii) Consultative Committee and Union Commitments

The Company and its employees shall maintain a Consultative Committee to meet quarterly to ensure that the consultative approach to workplace changes continues. The Committee shall monitor the Company's key performance indicators (KPIs), as well as the effectiveness of the Agreement and the progress of the various initiatives. The Union shall not unreasonably object to such matters being discussed or reviewed during the life of this Agreement.

(iv) Management and Staff Commitments

The parties agree that the participative consultation process shall be more efficient and mutually beneficial by:

- dealing honestly and fairly with each other in the workplace, as well as with the Company's customers, suppliers and the wider community
- ensuring that the needs of the business are a joint consideration when assessing and implementing new initiatives
- ensuring that business and customer interests are not compromised or impacted by industrial action outside of this Agreement

Clause 4 : Relationship to Parent Award

This Agreement shall be read and interpreted in conjunction with the Storeman and Packers Bond and Free Stores Award provided that, where there is any inconsistency, this Agreement shall take precedence to the extent of the inconsistency.

Clause 5 : Scope and Application

The Agreement shall apply to Mayne Logistics, Blackwoods at 13 Cooper Street Smithfield and A.E. Bakers at 3 Forge Street Blacktown (hereinafter referred to as 'the Company'), the National Union of Workers, New South Wales Branch (hereinafter referred to as 'The Union') and the Company's employees engaged in steel warehousing and related services at those locations.

Clause 6 : Period of Operation

The Agreement shall operate on and from the first full pay period that this Agreement is registered and shall remain in force until 30th June 2000. Further negotiation shall commence six months before the Agreement expiration, but the Agreement shall remain in force until replaced.

Clause 7 : Previous Enterprise Agreement

The initiatives and provisions endorsed in the 1997 Agreement shall remain relevant unless specifically updated by this Agreement. The Company, in conjunction with its employees, shall co-operatively commit resources and energies to achieve improved productivity, efficiency and performance outcomes in support of each business unit and site.

SECTION 2 - WAGES & RELATED MATTERS**Clause 8 : Wage Increase**

Employees shall, as a result of this Agreement, have their rates of pay increased by 6% as set out below. These increases shall apply to hourly rates, but not to any allowances or other payments made.

(i) Stage 4 - Wage Increase

Rates of pay shall increase by 3% from the first full pay period on and from 1st December 1998.

(ii) Stage 5 - Wage Increase

Rates of pay shall increase by 3% from the first full pay period on and from 1st September 1999.

Clause 9 : Payment of Wages

Employees shall be paid weekly by Electronic Funds Transfer (EFT). The Company shall normally pay wages to selected accounts by the close of business each Wednesday, except where Public Holidays or other circumstances outside the Company's control require that the payday vary, without penalty.

Clause 10 : Paid to the Minute

The practice of working to the next 15 minute interval is now unproductive and costly, and employees shall report their start and finish times to the minute, and be paid accordingly.

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Clause 11 : Payment for Meetings and/or Training

The Company shall conduct special training sessions on two Saturdays each calendar year to update operational efficiency and/or legislative needs. Employees shall be expected to remain abreast of the issues discussed. A minimum of four hours ordinary time shall be paid for each session, not including meal or other breaks provided. Additional hours shall be paid at time and a half.

Attendance by employees at monthly Toolbox meetings shall be unpaid and voluntary. Any meetings or training activities outside these provisions shall be paid at the relevant penalty rates.

Clause 12 : No Extra Claims

The parties agree that there shall be no further wage increase during the life of this Agreement, and that wages paid pursuant to this Agreement are inclusive of State Wage Case determinations for the life of this Agreement unless a decision of the Industrial Relations Commission provides for an increase to flow on to an Enterprise Agreement or an over-award payment. It is agreed that specific productivity gains shall be paid only once.

SECTION 3 - TERMS & CONDITIONS OF EMPLOYMENT**Clause 13 : Minimum Standards**

Whilst this Agreement remains in force, the employees covered by its terms shall continue to enjoy conditions of employment and rates of pay no less favourable than the Award at the time of the acceptance of this Agreement.

Clause 14 : New Employees

Any employee recruited by the Company during the term of this Agreement who would have been eligible to be a party to this Agreement at the time of registration had they been employed at that time, shall become a party to this Agreement. A new employee shall, from the date of becoming a party, be entitled to the benefits and be bound by the obligations under this Agreement. The Company shall not employ individuals under the terms of another Australian workplace agreement or other form of individual contract, for the life of the Agreement.

Clause 15 : Probationary Employee

New employees shall be subject to a three month probationary period and, whilst under probation, shall be paid at the Agreement hourly rate for their classification, with holidays, sick leave and all other entitlements to accrue from the initial start date. Probationary employees shall receive appropriate supervised training and induction, and their performances shall be reviewed and discussed on an ongoing basis. Probationary employees who do not fulfil the position's needs may be terminated in accordance with Award provisions. Probationary employees who successfully complete the three month probationary period shall be classified as a permanent weekly employee.

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Clause 16: Casual Employees

Casual employees, whether employed directly by the Company or through an agency, shall now be paid at the relevant Agreement hourly wage rate, plus the prescribed casual loading. Casuals shall receive a minimum payment of four hours for each start.

Clause 17: Permanent Part Time Employees

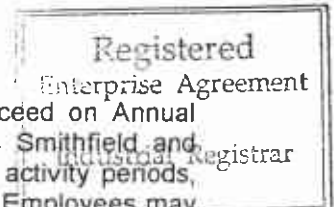
The Company may employ Permanent Part Time employees who shall work fewer hours each week than other full time employees. The Company and Permanent Part Time employees shall agree the number of hours to be worked at the relevant Agreement hourly rate of pay. Permanent Part Time employees shall work a minimum of four hours per day and/or twenty hours per week, and shall work up to the rostered daily ordinary hours prescribed for full time employees working on that shift and shall be paid at the normal rate of pay. Hours worked in excess of a standard day shall be paid at the applicable overtime rate. Permanent Part Time employees shall be entitled to other entitlements on a pro rata basis.

Clause 18 : Abandonment of Employment

Employees who are absent for three consecutive days or more without the consent of the Company and who have made no contact with their supervisor or manager, shall be deemed to have abandoned their employment, and their employment shall be terminated and entitlements paid up to the last day worked, unless a valid reason is given within seven working days.

Clause 19 : Annual Leave

During normal business periods, a maximum of two employees may proceed on Annual Leave at the same time from each of the business units at Blackwoods Smithfield and Bakers Blacktown. During Christmas/New Year, Easter and other reduced activity periods, employees may be required to take leave to suit the needs of the business. Employees may also be directed to take Annual Leave when they have accumulated entitlements in excess of 20 days. Other annual leave shall be approved by mutual agreement. The submission of an Annual Leave request does not constitute the approval of the leave.

**Clause 20 : Substitution of Union Picnic Day**

The Union Picnic Day may be substituted for another day, as provided for under the parent award, by agreement between the Company and its employees, to be taken adjacent to a period of annual leave or at another time to suit the needs of the business.

Clause 21 : Rostered Days Off (RDOs)

Employees may accumulate up to twelve rostered days off (RDOs) by routinely working eight hours per day, 40 hours per week, and be paid for 38 hour week at ordinary rates. The Company may require that an employee take RDOs, to meet the needs of the business. Such RDOs shall be arranged by mutual agreement or, where no agreement is reached, the Company may direct an employee to take RDOs by giving appropriate notice at or before the completion of the previous shift worked. Employees may take an RDO by mutual agreement by providing the Company two days advance notice, and shall be paid out for all remaining RDOs owed for the calendar year, at ordinary time, as at the first full pay period of either June or December each year.

Clause 22 : Sick Leave

Absenteeism is a detrimental cost to the business and, to reduce its incidence, the parties agree that sick leave in excess of one consecutive day or adjacent to a weekend must be supported by a medical certificate. In addition, all single day absences after four days of sick leave has been taken within the year shall also be supported by a medical certificate. Failure to provide a certificate shall result in the non payment of wages for the period during which the employee was not at work.

The Company shall aim to reduce absenteeism by 10% each year, and encourages its employees to maintain good health by offering an incentive (in gross dollars) for unused sick leave as at the first full pay period of December each year. Employees shall receive \$400 for seven or more unused sick days, \$300 for six days, \$200 for five days and \$100 for four days. Poor attendance records shall be grounds for disciplinary action. The incentive programme shall not reduce the employee's normal sick leave accruals.

Clause 23 : Spread of Hours

The spread of ordinary hours shall be between 6.00AM and 6.00PM, Monday to Friday. To provide the Company's customers with enhanced operational coverage, a rearrangement of hours may be introduced at Blackwoods Smithfield or A.E. Bakers Blacktown following consultation and agreement with employees.

The agreed spread of hours may not always be appropriate to the needs of the business, and greater flexibilities may be periodically required. Any proposed variation shall be reviewed and agreed between the Company and its employees.

Clause 24 : Flexible Lunch Arrangement

To improve customer service, the Company may require that its employees arrange their meal breaks to complement customer calling counter and other operational needs. All meal breaks shall be inclusive of wash-up time.

Clause 25 : Shift Patterns

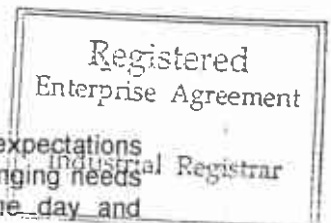
The Company shall adopt shift patterns that most effectively achieve customer expectations and other operational needs. The shift patterns may be amended to reflect changing needs by mutual agreement. Individual employees may be transferred between the day and afternoon shifts with twelve hours notice. Permanent transfers shall be arranged through consultation.

The agreed shifts at Blackwoods, Smithfield shall be 0600 to 1430 hours, 0930 to 1800 hours and 1930 to 0400 hours. The agreed shifts at Bakers Blacktown shall be 0630 to 1500 hours and 1200 to 2030 hours.

To meet specific customer service or operational needs, the Company and its employees may agree to amended starting times, provided that sufficient notice is given to the employee/s at the completion of the previous shift worked.

Clause 26 : Management Operational Assistance

The parties agree that the Company's managers and supervisors shall experience normal work practices and equipment utilisation to enhance workplace safety and efficiency. During industrial unrest, managers and supervisors shall only use this experience to recover emergencies, notably life threatening situations.



Clause 27 : Uniforms

The Company shall issue permanent employees with uniforms, including appropriate safety equipment (notably safety vests and hard hats) and, thereafter, the wearing of the uniform shall be compulsory. Casual and probationary employees shall be issued with safety clothing only. Failure to wear the uniform may result in disciplinary action.

Clause 28 : Future Technology

The Company is required to work closely with its customers to develop new work processes, involving new technologies, to enhance customer service levels. The parties agree that any change to work methods brought about by process redesign and new technology shall be implemented in a co-operative manner.

Clause 29 : Multi-Skilling

Employees, as and when directed by the Company, shall make themselves available to work in other sections to gain experience in performing other tasks and functions associated with the Company's operational activities, and shall undertake any necessary training.

Clause 30 : Housekeeping and Maintenance

Employees shall ensure that their 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 required.

Clause 31 : Warehouse Efficiency

The Company's proficiency as a service provider is most easily measured in the warehouse where key performance indicators (KPIs) are maintained, and stocktakes and quality audits are regularly conducted. The Company shall continually monitor the relevant KPIs to ensure that Company work standards remain high, and the employees shall specifically support the customer's quality audit and stocktake objectives. Stocktakes are normally conducted on weekends and may involve additional Company employees.

Clause 32 : Labour Portability

To remain cost-efficient and competitive, the Company must retain the capacity to quickly and effectively relocate employees and equipment from one site to another, at short notice. Employees willing to relocate shall be given priority, subject to qualification, capability and specific skill constraints. In the absence of volunteers, employees with the least amount of time working for the Company shall be relocated. Relocated employees shall be subject to the new site's Enterprise Agreement, so long as the relocation is not financially detrimental to the employee.

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SECTION 4 - CONSULTATION & DISPUTE RESOLUTION**Clause 33 : Dispute Procedures**

The Dispute Procedures detailed in the previous Agreement shall continue to be relevant to this Agreement. In particular, the following principles shall apply:

- the Company and its employees shall mutually benefit from stable and co-operative industrial relations
- industrial issues will arise and need to be investigated and promptly resolved through open and honest communications and goodwill, preferably at the local level
- industrial issues that cannot be resolved locally shall be referred to the Union, as defined in the Agreement, to be investigated and resolved at the earliest opportunity.
- essential services, as agreed, shall not be disrupted during disputation
- safety issues should be more appropriately addressed through site safety committees.

Clause 34 : Code of Conduct

The Code of Conduct principles and guidelines detailed in the previous Agreement shall continue to be relevant to this Agreement. In particular, the following principles shall apply:

- as a service provider, the Company requires that its employees always be punctual, honest, courteous, helpful, respectful, accurate, productive and safe at work
- the Company shall provide its employees with training, counselling and, as appropriate, discipline to improve performance deficiencies, notably poor attendances, unsafe acts and unprofessional behaviour.
- employees shall receive appropriate formal warnings as the circumstances require, and shall have the right to have a witness present during disciplinary interviews
- the Company may stand down an employee with pay pending investigation and, in instances of gross misconduct, shall terminate his/her employment.

SECTION 5 - INCENTIVE PROGRAMMES**Clause 35 : Lost Time Injury (LTI) and Medical Treatment Injury (MTI) Reduction**

The Company recognises the importance of avoiding workplace accidents and injuries, and shall commit substantial time, effort and resources to heightened employee safety awareness and improved workplace systems, equipment and practices. The Company encourages the active support of its employees in support of this fundamental objective.

The parties agree to discuss co-operative measures which may assist to reduce Lost Time Injuries and Medical Treatment Injuries. These measures may include some form of incentive payment. The measures shall not be implemented so as to contradict worker's compensation laws and regulations, in particular, the regulations relating to reporting incidents and near misses.



Sick Leave Incentive Scheme

The parties to this agreement agree that absenteeism is a major cost to the business and should be reduced as much as possible. Mayne Logistics recognises that genuine sick leave is an entitlement which provides insurance against loss of income. Sickness that is supported by medical certificate(s) will be paid in accordance with Award provisions.

Mayne Logistics and the employees covered by this agreement commit to reducing absenteeism by 10% in the first twelve months of this agreement. As an incentive to achieve this reduction, Mayne Logistics will pay a bonus in accordance with the following table, at the end of this twelve month period:

Number of Sick Leave Days Taken	Bonus Applicable
0	\$300
1	\$250
2	\$200
3	\$150

If more than three days sick leave is taken in the twelve month period, there will be no bonus applicable.



Agreement Signatories:

Signed for and on behalf of
Mayne Nickless Limited trading as
Mayne Logistics

Signed: *Warren Grant*
WARREN GRANT
General Manager
Industrial Channel

Date: 27/11/98
[Signature]
Witnessed: *[Signature]*
RICHARD MICHALCZYK
Business Manager
Howard Smith Group

Signed for and on behalf of
the National Union of Workers
New South Wales Branch

Signed: *Frank Belan*
FRANK BELAN
State Secretary

Date: 11/12/98
[Signature]
Witnessed: *Derrick Belan*
DERRICK BELAN
Official

