

**REGISTER OF
CONTRACT AGREEMENTS**

CONTRACT AGREEMENT NO: CA02/19

TITLE: Coca-Cola Amatil (Aust) Pty Ltd Contract Agreement 2002

I.R.C. NO: IRC2/5158

DATE APPROVED/COMMENCEMENT: 15 October 2002

TERM: 15 October 2005

**NEW AGREEMENT OR
VARIATION:** New

GAZETTAL REFERENCE: 6 December 2002

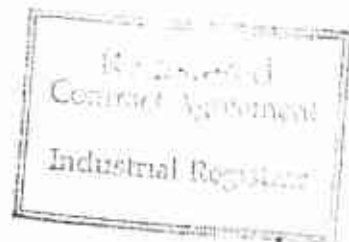
DATE TERMINATED:

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COVERAGE/DESCRIPTION OF

EMPLOYEES: Applies to Contract Carriers engaged by Coca-Cola (Aust) Pty Ltd, currently situated at Dubbo who fall within the coverage of Transport Industry - General Carriers Contract Determination

PARTIES: Coca-Cola Amatil (Aust) Pty Limited -&- the Transport Workers' Union of Australia, New South Wales Branch



COCA-COLA AMATIL (AUST) PTY LTD- CONTRACT AGREEMENT 2002

ARRANGEMENT



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1. Title

This Industrial Instrument shall be known as the Coca-Cola Amatil (Aust) Pty Ltd Contract Agreement 2002.

2. Application and parties bound

2.1 Parties bound

This Agreement shall be binding on:

- (a) Coca-Cola Amatil (Aust) Pty Ltd (the "**Company**") situated at Dubbo and any other future locations established by the Company;
- (b) Contract Carriers and each of them engaged by the Company to perform work covered by this Agreement (the "**Carriers**"); and
- (c) the Transport Workers' Union of Australia, New South Wales branch.

2.2 Determination

This Agreement is to be read to the exclusion of the Transport Industry - General Carriers Contract Determination (the "**Determination**"). The Determination shall not be interpreted so as to reduce the productivity, efficiency or flexibility of working arrangements or conditions prescribed by this Agreement.

2.3 Arrangement of work

The parties recognise the rights and responsibilities of management to arrange work covered by this Agreement in the best interests of the Company's business and customer service.

3. Incorporated bodies

Each of the Carriers agree that at the time of entering into this Agreement, and for the period of operation of this Agreement, it is duly registered and incorporated in Australia and entitled to provide services as required by this Agreement.

4. Cartage

4.1 Rates

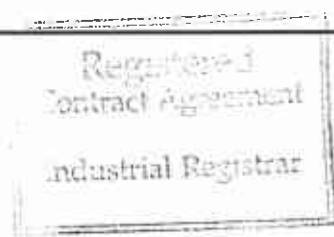
Subject to Clause 2.3 the Company shall pay the Carriers for each contract of carriage performed no less than the rates specified in Table 1 and 2 of this Agreement.

4.2 Remuneration

Notwithstanding Clause 4.1, the Company may pay the Carriers remuneration for work performed at piece, unit or incentive rates provided that the Carrier receives no less than the remuneration they would have received if they were paid the rates (as applicable) specified in Table 1 and 2 averaged over a three month period.

4.3 Allocation

Each Carrier who performs work for the Company on a regular and systematic basis shall be allocated work in preference to:



- (a) any Carrier who does not perform work for the Company on a regular and systematic basis; and
- (b) any other transport operator that performs services on behalf of the Company,

PROVIDED however that at all times the best interests of the business and the customer are served.

4.4 Rate alteration

The rates contained in Table 1 and Table 2 will be varied in accordance with the same percentage alteration to the rates contained in the Determination.

4.5 Rate Review

The Company will review any rates payable to the Carriers under clause 4.2 annually.

4.6 Allowances not to apply

The payment of Allowances as provided for in the Determination shall not be payable to the Carriers under this Agreement.

5. Carrying capacity

5.1 Specified Vehicle

The Company requires each of the Carriers to use a Bogey axle vehicle with a capacity of no greater than 12 tonnes ("**Specified Vehicle**").

5.2 Company not to pay higher rate

If a Carrier uses a vehicle with a carrying capacity greater than that of the Specified Vehicle, the Company will only be required to pay the rates in Table 1 as are applicable to the use of the Specified Vehicle, provided the Company does not utilise that part of the carrying capacity of the vehicle that exceeds the carrying capacity of the Specified Vehicle.

5.3 Company pays higher rate

If the Carrier uses a vehicle with a greater carrying capacity than that of the Specified Vehicle and the Company utilises the additional capacity of the vehicle, the Company will pay the Carrier in accordance with the rates in Table 1 applicable to the vehicle with greater carrying capacity supplied by the Carrier.

6. Date & period of operation

This agreement shall come into force from the first full pay period which commences on or after the date of approval by the Industrial Relations Commission, and shall remain in force for a period of 36 months from that date.

7. Contract Carriers' Induction Manual

All Carriers agree that the Company's Contract Carriers' Induction Manual, a copy of which is attached, as varied from time to time, shall form part of their contract of engagement and as such strict adherence to its terms is required.



The Company will ensure that each Carrier engaged by the Company is issued with a copy of the manual.

8. Performance indicators

The parties commit themselves to a process of continuous improvement and set performance indicators and performance standards as a means of measuring what has been achieved and the need for further improvements. The primary role of performance indicators is to assist in the attainment of corporate goals in the interest of the Carriers, customers and the Company in improving competitiveness, job security and the quality of service.

Performance indicators are to be developed with reference to clearly articulated departmental and work group objectives. These objectives will be developed through a consultative process and will be subject to periodic review.

| CRITICAL SUCCESS FACTOR | PERFORMANCE INDICATOR | PERFORMANCE MEASURE |
|-------------------------|---------------------------|---|
| 1. Quality | Customer Satisfaction | <ul style="list-style-type: none"> • Level of customer complaints • Delivery in full and on time • Customer Survey Responses • Accurate Documentation • Loss/Damage to freight and equipment, eg pallets • Perfect Delivery Scorecard |
| | | <ul style="list-style-type: none"> • Implementation OH&S policy, standards and procedures • Reducing the lost time through accident/injury. |
| | | |
| 2. Work Environment | OH&S Performance | |
| | Environmental Performance | <ul style="list-style-type: none"> • Adoption of new technological procedures implemented by Company |
| 3. Resource Utilization | Vehicle Utilisation | <ul style="list-style-type: none"> • Cartons per Call • Cartons per kilometre travelled • Cartons per load • Cartons delivered per annum. |
| | | |

At this stage these key issues have been identified and will be developed further. It is intended that targets will be set and measured to determine productivity performance improvements.

The parties to this Agreement further recognize that Carriers who fail to reach these measures as agreed will be subject to disciplinary action and may also lead to the termination of the Carrier's contract of carriage.

9. Carrier's logbook

Each Carrier is required to keep a logbook and to record such details on a daily basis concerning the provision of services under this Agreement as the Company reasonably requires.

10. Meal times

10.1 Determination applies

It is agreed that Clause 5 of the Determination is varied to allow the taking of meal breaks at a convenient time to maximise productivity.

10.2 Meal breaks when Carrier away from Depot

It has been agreed that Carriers working away from the Company depot in the period when the meal break falls due will anticipate the work flow at the customer's premises so as to minimise time lost during loading and unloading.

11. Training

11.1 Company Training Policy

The Company may provide training opportunities for Carriers in accordance with the Company Training Policy.

11.2 Training free of charge

Where the Company requires the Carrier to undertake training specific to their contract and development with the Company, this shall be provided free of cost to the Carrier. In return the Carrier will be expected to provide their own time and commitment to undertake the training.

12. Statutory licences

12.1 Licences to be maintained

The Carriers will be required to ensure that it and any relevant driver obtains and maintains all transport licences, permits and authorisations necessary to perform the Carriers' duties under this Agreement. These licences include but are not limited to licences to drive road vehicles and forklifts.

12.2 Carriers to produce

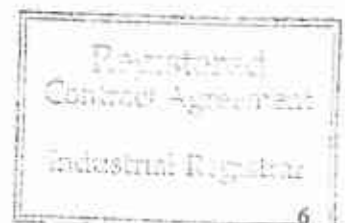
The Carriers will be required to produce, and shall ensure that all of its drivers produce, relevant licences, permits and authorisations as mentioned in clause 12.1 upon demand by the Company.

13. Insurance

13.1 Maintained by Carriers

The Carriers agree that insurance coverage including, but not limited to:

- (a) comprehensive motor vehicle insurance;



- (b) public liability insurance to provide cover of not less than \$10,000,000;
- (c) workers compensation insurance;
- (d) third party and property damage insurance in the sum of \$5,000,000;
- (e) Marine or Transit insurance against loss or damage to goods of not less than \$10,000;
- (f) sickness/ accident benefit insurance for a minimum of \$500.00 per week;

is held by the Carriers, and each of them, at the time of entering into this Agreement and will be maintained by the Carriers through the currency of this Agreement.

13.2 Carrier to produce policies

The Carriers will produce current policy statements or other evidence of compliance with clause 13.1 upon demand by the Company.

13.3 Failure to Comply

If a Carrier fails to comply with the terms of this clause, the Company will cease to provide contracts of carriage to the Carrier concerned until such time as the Carrier complies with the terms of this clause.

14. Annual leave

It is agreed by both parties that Clause 3 of the Determination be varied to permit annual leave to be taken in other than continuous periods by mutual Agreement or by direction of the Company with reasonable notice.

15. Notice of absence

In the event of a Carrier's main driver being unable to attend for work for any reason, notification of non-attendance will be communicated at least one hour prior to the scheduled start time to the NSW Regional Delivery Manager of the Company, where possible. For periods of absence other than planned annual leave, the Carrier must arrange for a relief driver suitable to the Company to operate the Carrier's vehicle during the main driver's absence.

16. Environmental management

The Carrier shall, at all times, ensure that any spillage occurring whilst carrying out the services under this agreement is cleaned up immediately to a standard that meets with the applicable environmental law requirements. To assist in the clean up of any such spills, the Carrier shall provide, at his cost, and carry at all times a Company-approved spill clean up kit.

17. Locking of vehicles

When the vehicle is out of the dock area and not occupied by the driver, the vehicle cab and the pan or taut liner shall be locked and/or secured by the driver. The locking of the vehicle is essential for the security of the freight and forms a fundamental term of the Carriers contract. Any freight or equipment lost as a result of failing to comply with this clause may lead to the Carrier's contract being terminated.

18. Cartage account payment

Carriers shall be paid on a regular fortnightly basis and cartage account payment will be by direct electronic funds transfer into the Carrier's nominated bank account (or other financial institution),

at the Company's discretion. The reverse billing system operated by the Company forms the basis for payment.

19. No extra claims

It is a condition of this Agreement that the Carriers undertake not to pursue any extra claims during the currency of this Agreement other than in accordance with the review mechanism provided in clause 4 of this Agreement.

20. Goodwill

It is a fundamental term of the Carrier's contract and this Agreement, that the sale of the Carriers' vehicles with "Goodwill" is expressly prohibited. It is further recognized that "Goodwill" shall at all times remain the exclusive property of the Company and can not be assigned, transferred or transmitted by the Carrier to a third party. Any Carrier which breaches this fundamental term of their contract shall have their contract of carriage terminated.

Further, any Carrier who sells their vehicle with "Goodwill" to a third party, shall fully indemnify the Company, its servants and agents against any and all claims, suits, actions which the third party may bring against the Company, its servants and agents.

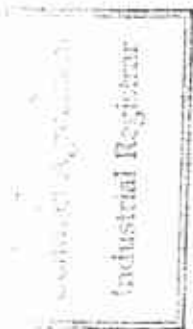
21. Option to purchase vehicle

If this Agreement is terminated by either party, the Company at its option may purchase the vehicle at its current value. For the purpose of this Clause, the "current value" shall be the average of the retail valuations of the vehicle given by two (2) licensed members of the Registered Motor Vehicles Dealers Institute. The option to purchase the vehicle shall be exercised by the Company by written notice to the Carrier given within fourteen (14) days of the date of termination of this Agreement. Failing the exercise by the Company the option shall automatically lapse. This clause shall have no effect where the Company and the individual Carrier otherwise agree in writing.

22. Disputes resolution procedure

In the event that a dispute arises between a Carrier and the immediate supervisor, the parties agree that to resolve the dispute, measures will be undertaken based on consultation, co-operation and discussion. Accordingly, the parties agree to adhere to the following procedure:

- (a) The matter will first be discussed by the Carrier concerned and the immediate supervisor of that Carrier.
- (b) If the matter is not resolved, the parties involved will immediately refer the disagreement to the NSW Regional Distribution Manager who will confer and attempt to reach a settlement to resolve the matter.
- (c) If the matter is not resolved the matter will be referred to the NSW Distribution Manger who will confer with the parties and attempt to reach a settlement. The Carrier may be represented by an appropriate representative of the Carrier.
- (d) If the dispute or grievance is still not resolved, the Company will involve the NSW Operations Manager and the Carrier may elect to involve an appropriate representative.
- (e) In the event that the dispute cannot be resolved by the parties, either party can seek the immediate assistance of the NSW Industrial Relations Commission or any other independent third party to mediate the dispute.



- (f) While all of these procedures are taking place, work will continue as directed by the Company. The fact that work continues will not prejudice the position of any of the parties and will not disadvantage an individual.
- (g) Sensible time limits should be allowed in dealing with the dispute with the parties maintaining regular contact.

23. Safety issues

Occupational Health and Safety issues that have been identified are to be addressed initially by the NSW Regional Distribution Manager. The procedure to be followed is as laid down in Company policy and in accordance with applicable legislation.

24. Withdrawal of services

The Carriers agree that they will not withdraw their services for a period of time during the period of operation of this Agreement other than in accordance with the terms of this Agreement.

25. Renegotiation and development of the next Agreement

Prior to the expiry of this Agreement, for the purpose of renegotiating any subsequent agreements the Company and the Carriers may enter into discussions in order to review the operation of and conditions included in this Agreement.

26. Work calls and tolls

The Carriers bound by this Agreement acknowledge that any expenses incurred by the Carriers with respect to tolls or any telephone calls made by the Carrier for work related purposes shall be borne by the Carrier as they are expenses incurred by the Carrier in the course of the Carrier undertaking its business.

27. Entire Agreement

This Agreement shall constitute the entire Agreement between the parties, subject to clause 2.2. For the avoidance of doubt, this Agreement supersedes all provisions, covenants, Agreements, warranties, representations, negotiations and understandings with respect to the carriers engagement that are not expressly dealt with herein or in accordance with clause 2.2.

28. Painting of vehicles

After three (3) months service with the Company, the Carrier must, if requested by the Company, paint the vehicle in the Company's colours and signage at the Carrier's expense. The Company must, if necessary, bear the cost of removing all signs and make good the affected areas as a result of the removal of the signs .

29. Probationary period

Each Carrier shall be engaged on a three (3) month probationary period during which period the Company or the Carrier may terminate the contract of carriage for any reason without the payment of any compensation.



30. Termination

30.1 Termination of Agreement

- (a) The parties to this Agreement can terminate the Agreement at any time during or after its nominal term by the approval of all parties to the Agreement.
- (b) Either party can terminate the Agreement at or after the completion of the nominal term by any one of the parties giving at least 3 months' notice of intention to terminate the Agreement to each other party. The notice may be served before the end of the nominal term.

30.2 Termination of contract of carriage

The Company may terminate the Contract of Carriage with respect to each of the Carriers immediately and without the payment of any compensation if:

- (a) a driver of the Carrier ceases to hold the licences required to carry out the Carrier's obligations pursuant to this Agreement;
- (b) the Carrier ceases to hold the insurance policies required pursuant to this Agreement;
- (c) any driver employed by the Carrier is guilty of serious misconduct;
- (d) any driver employed by the Carrier commits any action or inaction which damages the reputation, or has the potential to damage the reputation, of the Company;
- (e) the Carrier goes into receivership or liquidation; or
- (f) any driver employed by the Carrier is found guilty of a criminal offence resulting in conviction or suspension of a drivers licence.

30.3 Notice

The Company may terminate the contract of carriage by giving one months notice in the event that the Company ceases to require the delivery of the products.

31. Allocation of loads

The Carrier acknowledges that the Company has entered into, and may in the future enter into Contrats of Carriage with other Carriers to deliver products in the territory. The Company hereby agrees that loading and delivery of product pursuant to this Agreement shall be allocated between the Carriers on a basis that the first loads each day shall be allocated on a rostered basis, and thereafter loads shall be allocated to the first Carrier back to the premises of the Company. The Company further agrees to use its best endeavours to ensure that the allocation between the Carriers is fair and reasonable.



MONETARY RATES

TABLE 1 - RATES

HOURLY RATES WHERE DIESEL FUEL REBATE IS NOT APPLICABLE

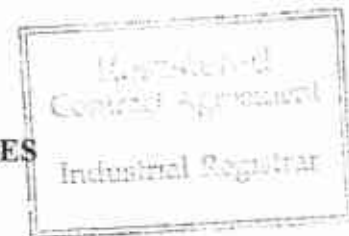
| Class of Vehicle | Vehicle Age | | | | | |
|---|-------------------------|---------------------------|---|---------------------------|-------------------------|---------------------------|
| | Scale A Up to 1 year | | Scale B Over 1 year - up to 3 years | | Scale C Over 3 years | |
| Carrying Capacity | Hourly standing rate \$ | Running rate cents per km | Hourly standing rate \$ | Running rate cents per km | Hourly standing rate \$ | Running rate cents per km |
| Rigid Vehicle only: Less than 2 tonnes | 22.18 | 28.56 | 18.70 | 28.56 | N/A | N/A |
| Not less than 2 and less than 5 tonnes | 25.30 | 32.93 | 21.70 | 32.96 | 16.90 | 32.96 |
| Not less than 5 and less than 8 tonnes | 30.37 | 42.63 | 25.13 | 42.73 | 18.22 | 40.44 |
| Not less than 8 and less than 10 tonnes | 35.88 | 52.44 | 28.89 | 52.75 | 23.96 | 50.15 |
| Not less than 10 and less than 12 tonnes | 49.12 | 73.37 | 37.34 | 73.05 | 29.58 | 70.16 |
| Not less than 12 and less than 14 tonnes | 64.56 | 92.39 | 47.28 | 92.27 | 36.10 | 87.56 |
| 14 tonnes and over | 72.35 | 109.23 | 52.36 | 108.76 | 38.92 | 103.68 |
| Single-axle Drive Prime Mover | 51.45 | 99.63 | 39.04 | 99.90 | 31.05 | 94.62 |
| Bogie Axle Drive Prime Mover | 74.37 | 114.68 | 53.79 | 114.65 | 39.92 | 109.05 |



HOURLY RATES WHERE FUEL REBATE DOES NOT APPLY

| Class of Vehicle | Vehicle Age | | | | | |
|---|-------------------------|---------------------------|---|---------------------------|-------------------------|---------------------------|
| | Scale A Up t 1 year | | Scale B Over 1 year - up to 3 years | | Scale C Over 3 years | |
| Carrying Capacity | Hourly standing rate \$ | Running rate cents per km | Hourly standing rate \$ | Running rate cents per km | Hourly standing rate \$ | Running rate cents per km |
| Rigid Vehicle only: Less than 2 tonnes | N/A | N/A | N/A | N/A | N/A | N/A |
| Not less than 2 and less than 5 tonnes | 25.30 | 29.49 | 21.70 | 29.52 | 16.90 | 29.48 |
| Not less than 5 and less than 8 tonnes | 30.37 | 38.43 | 25.13 | 38.35 | 18.22 | 38.29 |
| Not less than 8 and less than 10 tonnes | 35.88 | 47.94 | 28.89 | 47.64 | 23.96 | 47.56 |
| Not less than 10 and less than 12 tonnes | 49.12 | 66.00 | 37.34 | 66.92 | 29.58 | 66.82 |
| Not less than 12 and less than 14 tonnes | 64.56 | 83.59 | 47.28 | 83.16 | 36.10 | 83.04 |
| 14 tonnes and over | 72.35 | 97.95 | 52.36 | 98.59 | 38.92 | 98.45 |
| Single-axle Drive Prime Mover | 51.45 | 89.87 | 39.04 | 89.74 | 31.05 | 89.61 |
| Bogie Axle Drive Prime Mover | 74.37 | 103.49 | 53.79 | 103.59 | 39.92 | 103.49 |

TABLE 2 - ALLOWANCES



1. Trailer Allowance

A Contract Carrier who, in order to perform a contract of carriage, is required to supply a flat top trailer for use in a contract of carriage shall be paid the following allowances for each day (and proportionately for part of a day) during which the equipment is used for the purpose of the contract of carriage:

- Single Axle \$15.06 per day
- Dual Axle \$19.31 per day
- Tri Axle \$23.74 per day

2. Ropes and Gear Allowance

A Contract Carrier who, in order to perform a contract of carriage, is required to supply tarpaulins, ropes, gates, chocks and dogs for the use in a contract of carriage shall be paid the following allowance for each day (and proportionately for part of a day) during which the equipment is used for the purpose of the contract of carriage:

- \$2.99 per day

3. **Twistlock Allowance**

A Contract Carrier who, in order to perform a contract of carriage, is required to fit his trailer with twistlocks for the carriage of ISO containers shall be paid the following allowance for each day (and proportionately for part of a day during which the equipment is used for the purpose of the contract of carriage:

- \$2.25 per day

4. **Mechanical Lifting Equipment Allowance**

A Contract Carrier who, in order to perform a contract of carriage, is required to supply rear or side-loading mechanical devices, shall be paid the following allowance for each day (and proportionately for part of a day) during which the equipment is used for the purpose of the contract of carriage:

Rear-Lift Platforms

Up to and including 3,000 lbs. capacity: \$3.59 per day

Up to and including 6,000 lbs. capacity \$4.89 per day

Side-Loading Devices: \$15.78 per day



**Signed by Graeme Harris on behalf of
Coca-Cola Amatil (Aust) Pty Ltd:**



Signature

15.10.02

Date

**Signed by Tony Sheldon (State Secretary) on
behalf of the Transport Workers Union of
Australia, New South Wales Branch and the
Contract Carriers covered by this agreement.:**



Signature

14.10.02

Date

