

**REGISTER OF
CONTRACT AGREEMENTS**

CONTRACT AGREEMENT NO: CA04/1

TITLE: **Hudson Timber Products Ltd Contract Agreement**

I.R.C. NO: IRC3/4843

DATE APPROVED/COMMENCEMENT: 28 November 2003

TERM: 28 November 2008

**NEW AGREEMENT OR
VARIATION:** New

GAZETTAL REFERENCE: 5 March 2004

DATE TERMINATED:

NUMBER OF PAGES: 9

COVERAGE/DESCRIPTION OF

EMPLOYEES: The agreement applies to all contracts of carriage made between the principle contractor and contract carriers, namely the Transport Workers' Union and Hudson Timber Products Limited, located at Mountain Rd, Halloran, NSW 2259, engaged in the delivery and collection of goods as depicted in the maps annexed hereto and other such areas as may be agreed from time to time, who fall within the coverage of the Transport Industry - General Carriers Contract Determination

PARTIES: Hudson Timber Products Ltd -&- the Transport Workers' Union of New South Wales

Agreement No. of 2003

AGREEMENT MADE BETWEEN THE TRANSPORT WORKERS' UNION OF NEW SOUTH WALES AND HUDSON TIMBER PRODUCTS. LIMITED A.B.N. 95081809814 FOR CONTRACTS OF CARRIAGE PURSUANT TO SECTION 324 OF THE INDUSTRIAL RELATIONS ACT 1996.

Filed with the Industrial Registrar 29 August 2003.

BY THIS AGREEMENT made this fifteenth day of July 2003, **BETWEEN THE TRANSPORT WORKERS' UNION OF NEW SOUTH WALES** a registered association of Contract Carriers ("the Union"), of the first part and **HUDSON TIMBER PRODUCTS LIMITED** A.B.N 95081809814 a company duly incorporated and having its registered office at Mountain Road, Halloran 2259 in the State of New South Wales ("the Principal Contractor"), of the other part, IT IS AGREED that the following shall be the conditions applicable to all Contracts of Carriage which are performed by members of the Union who are engaged by the Principal Contractor to make deliveries and collections to Areas as depicted in the maps annexed hereto and such other areas as may be agreed from time to time.

DEFINITIONS

"The Act" shall mean the *Industrial Relations Act*, 1996.

"Contracts of Carriage" shall be as defined in the Act.

"Association of Contract Carriers" shall be as defined in the Act.

"Principal Contractor" shall be as defined in the Act.

A "Contract Carrier" shall mean a member of the Union who is engaged to perform a "Contract of Carriage" within the scope of this agreement.

"The Determination" shall mean the Transport Industry General Carriers Contract Determination.

In this agreement unless the context otherwise requires:

1. A reference to any party to this agreement includes a party's' successors and permitted assigns, employees, agents, directors and other officers and any related body corporate and subsidiary.
11. Headings are for convenience only and do not affect interpretation;
111. The singular includes all genders; where a word or phrase is defined its other grammatical forms have a corresponding meaning;

1. Duties and Responsibilities of the Contract Carrier

- I. The Contract Carrier agrees under the terms of this agreement to cause to transport a load or loads (other than by passengers) by means of a motor vehicle in the course of a business of transporting loads of that kind by motor vehicle as requested from time to time by the Principal Contractor.
- II. In respect of any individual request by the Principal Contractor for the contractor to carry any particular load or loads ("job"), the Contract Carrier shall perform the job required to produce the result specified by the Principal Contractor in respect of the job within the time period specified by the Principal Contractor for performance of the job.
- III. The Contract Carrier shall be primarily responsible for the performance of allocated jobs and may on a relief basis only, employ personnel to do so. Such personnel shall be sufficient and qualified to work at the Contract Carriers' direction to perform each job. The Contract Carrier shall not engage or use the services of a driver for the vehicle unless the Contract Carrier has consulted with the Principal Contractor in relation to the suitability of the relief personnel.

- IV. The Contract Carrier shall carry out any job expeditiously and in accordance with the Principal Contractors' delivery program and in a proper and skilful manner to the reasonable satisfaction of the Principal Contractor; and in such a manner as will not be detrimental to the business and goodwill of the Principal Contractor.
- V. The Contract Carrier shall carry out all jobs with due regard for the safety of himself, or his relief employees and any other workers on site, and further undertakes to notify the Principal Contractor within one (1) hour of arriving at the site of any apparent hazard or activity which renders the work environmentally unsafe.
- VI. Any relief employees of the Contract Carrier shall be employed in accordance with the provisions of appropriate awards, determination and legislation. The Contract Carrier shall ensure that the substitute driver does not commit misconduct or fail to comply with the provisions of the agreement. In such cases of misconduct or breach of the agreement the provisions of Clause 4, Disputes Procedure shall apply.
- VII. Contract Carriers must hold all licences essential to the job eg, drivers, crane, forklift. The Contract Carrier is responsible for obtaining any licences necessary to the operation of their vehicle. The Principal Contractor will pay for any licences ancillary to the operation of the vehicle, which are necessary to perform other tasks required by the Principal Contractor.
- VIII. Contract Carriers must attend during their own time, but at a time to be agreed, a Safety Training Course. The training will be provided at no charge by the Principal Contractor.

The Principal Contractor agrees to pay the casual hiring as per Transport Industry State Award to the Contract Carrier if workloads require the Contract Carrier to operate his vehicle with a relief driver whilst the Contract Carrier attends such courses as already mentioned in this clause.

- IX. The Contract Carrier is responsible for personal accident insurance and for compulsory insurance under any applicable workers compensation legislation for the contractors' workers and such insurance will be valid before undertaking any job and remain valid throughout the period that the Contract Carrier is engaged for the job.
- X. The Contract Carrier is responsible for full comprehensive insurance for his, or if incorporated, for the Contract Carrier's motor vehicle.
- XI. The Contract Carrier shall effect and maintain throughout the period it is carrying out the job or jobs, insurance cover of not less than five (5) million dollars covering liability to any third party for bodily injury illness or death or loss or damage to property arising from any act or omission relating to any job.
- XII. Principal Contractor as co-insured and shall be with an insurance company, for amount and in a form satisfactory to the Principal Contractor. Such approval cannot be unreasonably withheld by the Principal Contractor.
- XIII. The Contract Carrier shall provide at the request of the Principal Contractor evidence of the currency of his insurance cover and keep the Principal Contractor fully informed of any claims against the insurance affecting the Principal Contractor.
- XIV. The Contract Carrier shall not do or knowingly permit to be done anything which would in any way vitiate any insurance policy required pursuant to this agreement.
- XV. The Contract Carrier shall indemnify and keep indemnified the Principal Contractor and its officers, agents and employees (collectively the "Indemnities") against all claims, demands, losses costs, liabilities and expenses arising out of injury to or death of any person (including the Indemnities, the Contract Carrier and the officers, agents and employees of the Contract Carrier) and damage to or destruction of any property (including the property of the Principal Contractor, the Indemnities, the Contract Carrier and the agents and employees of the Contract Carrier) caused directly or indirectly by the performance of the job or the presence of the Contract Carrier on or about the Principal Contractor's premises excepting where the injury, death, damage or destruction is the result of the negligence of the Principal Contractor or the indemnities.

- XVI. The Contract Carrier shall be bound by the obligations imposed on the Contract Carrier by Part VI Division 3A of the *Income Tax Assessment Act*.

2. Obligations of the Principal Contractor

- I. The Principal Contractor shall from time to time provide to the Contract Carrier trailer/s for some of the jobs and the Principal Contractor shall take out appropriate insurance with respect any trailer/s which it elects to provide to the Contract Carrier. The Principal Contractor shall not provide the Contract Carrier with a trailer which is not covered by the appropriate insurance.
- II. The Contract Carrier shall be an independent contractor engaged by the Principal Contractor. The Contract Carrier shall not and will not be a partner or employee of the Principal Contractor.

3. Rates of Remuneration

- I. The rates of remuneration provided for in Appendix A, Schedule 1, 2, 3, & 4 to this Agreement shall be paid for all Contracts of Carriage performed pursuant to this Agreement.
- II. The rates of remuneration set out in Appendix A, Schedule 1 is subject to revision with the variation to the Contract determination on 1st January and 1st July each year

Schedule 2 does not become due for its first revision until after 3 March 2005. After 3rd March 2005 these rates will be subject to revision and the variation to the Contract Determination on 1st January and 1st July each year there after.

The rates shall be increased by the same percentage as the increase in the "all up" rate based on 25,000 kilometres per year in Scale C for a single axle Prime Mover as set out in the determination or its successor.

- III. Where an interim adjustment is made to the Determination pursuant to Clause 8 of Schedule 2 of the Determination, such interim adjustment shall be passed on to the rates of remuneration in Appendix A. Such interim adjustment shall become effective one (1) month after the date that the interim adjustment has been made to the Determination.
- IV. Payment of the rates prescribed by this Agreement shall in the absence of unavoidable or unforeseen circumstances be made weekly for jobs completed within that week.
- V. The Principal Contractor shall give all Contract Carriers equal opportunity to maximise their earnings.
- VI. All parties to this Agreement retain the right to enter into discussions on the system of rates of remuneration if significant changes in business conditions or productivity occur.

4. Dispute Procedure

- I. In the event of a dispute, the Contract Carrier, union delegates and a representative of the Principal Contractor shall attempt to resolve the dispute by discussion on the Site.
- II. In the event of failure to resolve the dispute, by the above procedure, an organiser, the State Secretary of the union or his nominee shall take part in further discussions with representatives of the Principal Contractor in order to settle the dispute.
- III. If the dispute shall remain unresolved, the Principal Contractor or the union may notify the dispute to the Industrial Registrar in accordance with the Act.
- IV. Work shall continue normally during any proceedings which are being processed in good faith by the parties hereto, pursuant to the Act.

5. Termination and Disciplinary Procedures

- I. The Principal Contractor shall not terminate the engagement of any Contract Carrier for other than serious and wilful misconduct without first having exhausted the disputes procedure outlined in Clause 4 of this Agreement.
- II. Existing custom and practice relating to internal disciplinary procedures carried out by the Contract Carriers shall continue.
- III. The engagement between the Principal Contractor and any Contract Carrier may be terminated by one month's notice in writing by either party.

6. Area Incidence and Duration

- I. This Agreement applies to all Contracts of Carriage (whether such Contracts are entered into before or after the due date hereof) made between the Principal Contractor and Contract Carriers for goods delivered or collected in Areas as depicted in the maps annexed hereto, such other areas as may be agreed from time to time.
- II. This Agreement is binding on the parties to the Agreement for a period of five (5) years, it shall operate from the date of Registration.

EXECUTED as an agreement on the date set out in the commencement of this agreement.

TRANSPORT WORKERS' UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH by ANTHONY SHELDON SECRETARY/TREASURER

in the presence of:

Signature of Witness

Name of Witness: MARK CROSDALE

Address of Witness

THE COMMON SEAL of

HUDSON TIMBER PRODUCTS LTD

was affixed in accordance with its

articles of association in the presence of:

Director Director

Name of Director B McLEOD
(BLOCK LETTERS)

Name of Director PETER HOLLAND
(BLOCK LETTERS)

APPENDIX A

Paid Rates:

- (a) From Wamervale Frame & Truss Site to deliver to Sydney Metropolitan area, the rates which shall apply to these deliveries are set out in Schedule 1 of this agreement. The rates are calculated by the zoning structure from yard to point of delivery.

- (b) From Wamervale Frame & Truss Site to deliver to Central Coast, Newcastle and Hunter Valley the rates which shall apply to these deliveries are set out in Schedule 2 of this agreement. The rates are calculated in the zoning structure from yard to point of delivery.
- (c) For deliveries from Hudson Timber Products Ltd, Minto site are set out in the zoning structure from Minto yard to point of delivery in Schedule 3.
- (d) For deliveries from Hudson Products Ltd, Mr Druitt site are set out in the zoning structure from Mt Druitt yard to point of delivery in schedule 4.
- (e) Excess Distance

Journeys beyond the extremity of the areas from either Warnervale, Minto or Mt Druitt will be rated at \$2.81 per loaded kilometre.

Note re: Clarendon group work.

All Clarendon group work (Clarendon, Bellevalle and Domaine) to the Central Coast and Northern Area is to be paid at the rates paid as at 1 January 2003 until 1 July 2003 at which time the rates as outlined in this determination will be paid.

WAITING TIME

Waiting time on site.

Any waiting time incurred whilst the contract carrier is adhering to the principal contractor's instructions over one (1) hour at point of unloading is paid at \$44.94 per hour. The amount paid per hour will be varied by the percentage change to the all-up rate based on 25,000 kilometres per year in Scale C for a single axle prime mover as set out in the Contract Determination calculated on 1 January and 1 July each year.

All rates in Schedules 1, 2 3 and 4 include an allowance to cover loading and one hour unloading.

The company agrees to pay for waiting time where the claim is substantiated by photos to show the degree of difficulty, or where there is an agreed time delay because of cranes etc. The company reserves the right to dispute claims where they believe that unloading was unduly delayed.

Waiting time in the yard.

Waiting time will not be paid while in yard, however the company undertakes to make every effort to stop any lost time. The company also accepts that there are going to be occasions where driver's vehicles are off the road and agrees that in compensation for waiting time in the yard, the company will not force a Contract Carrier to provide a service while his or her vehicle is off the road

WIDE LOAD

Any load which exceeds 2.5 metres in width and 12.5 metres in length is paid at a rate of \$44.94 per load and any load which exceeds 13.2 metres in length transported on an extendable trailer is paid at the rate of \$73.66 per load in addition to \$44.94 surcharge, The amount outlined in this clause will be varied by the percentage change to the all-up rate based on 25,000 kilometres per year in Scale C for a single axle prime mover as set out in the Contract Determination calculated on 1 January and 1 July each year.

EXTRA DELIVERIES

The Contract Carrier may perform extra deliveries if mutually agreed between the Contract Carrier and the Principal Contractor at a rate of \$44.94 per occasion. The amount outlined in this clause will be varied by the percentage change to the all-up rate based on 25,000 kilometres per year in Scale C for a single axle prime mover as set out in the Contract Determination calculated on 1 January and 1 July each year.

BACKLOADING

Backloading may be performed by the Contract Carrier on the proviso that the load to be delivered is within reasonable proximity to the Contract Carriers home base yard.

Backloading will only be performed when there is a mutual agreement between the Contract Carrier and the Principal Contractor..

Number of Carriers,

The company will consult with the contract carriers before increasing the number of contract carriers engaged by the company from the Wamervale site.

Supply of Cameras.

The Contract Carriers agree to supply their own digital cameras compatible with company computer programs. (To assist the drivers with this initial start up, existing cameras owned by Hudson Frame and Truss will be transferred to each driver). Replacement cameras will be the responsibility of each driver and be compatible as noted above.

In the instance where photos are not supplied, any loss sustained by the company for that delivery will be deducted from the Contract Carriers payment.

Slings.

The cost of all slings used in the delivery and transportation of loads will be borne equally by all contract carriers and any Hudson Timber Products Ltd vehicles engaged in the cartage.. The cost will be paid by deduction from the monies owed to the carriers once per month.

SUB-CONTRACTOR CHARGES EFFECTIVE 3RD MARCH 2003

Ex Warnervale to Sydney Schedule 1

Zone S1	\$267.25	S6	\$407.25
S2	\$295.25	S7	\$435.25
S3	\$323.25	S8	\$463.25
S4	\$351.25	S9	\$492.25
S5	\$379.25	S10	\$520.25

the quadrant containing Campbelltown will be paid at the rate of S7.

the quadrant containing Camden will be paid at the rate of S7.

the quadrant containing Narrabeen/Paim Beach will be paid at the rate of S5.

Ex Warnervale to Central Coast/Newcastle/Hunter Valley Schedule 2

Zone N1	\$150.00	N5	\$290.00
N2	\$185.00	N6	\$325.00
N3	\$220.00	N7	\$360.00
N4	\$225.00	N8	\$395.00

SCHEDULE 3

Ex Minto

The rates paid under this schedule shall be identical to that paid to contractors performing work of an identical or comparable nature from the Minto site.

SCHEDULE 4

Ex Mt Druitt

The rates paid under this schedule shall be identical to that paid to contractors performing work of an identical or comparable nature from the Mt Druitt site.

Attachment to Contract Agreement Hudson Timber Products Ltd & Transport Workers Union of NSW

The parties to the above agreement recognise that the level of work available to contractors will fluctuate from time to time. In the event of fluctuations in available work the following shall apply:

- (1) Should a party to the Head Contract, which is filed with the above contract agreement, leave the engagement of Hudson Timber Products Ltd due to:

insolvency

performance

personal reasons

Hudson Timber Products Ltd commits to consult the remaining entities listed in the head contract. The purpose of such consultation shall be to assess the utilization of the vehicles of the remaining entities listed in the head contract. The purpose of such consultation shall be to assess the utilization of the vehicles of the remaining entities with the objective of maximising the utilization of those vehicles.

All parties will have regard to their legal obligations with respect to the regulations governing the operations of heavy vehicles and occupational health & safety.

The subcontractors confirm they will keep up to date all insurances required for operating their vehicles. The subcontractors will also ensure that they hold current insurances for workers' compensation for Proprietary Limited Companies or income protection insurance for sole traders. Hudson Timber Products Ltd needs to be supplied with copies of all current insurances on an annual basis.

- (2) Should the level of work increase and additional contractors are required, such contractors shall be engaged in consultation with the TWU and the drivers listed on the Head Contract.

The basis of engagement of all contractors shall be the terms and conditions set out in the contract agreement.

- (3) Contractors nominated in the Head Contract shall be able to seek work from sources other than Hudson Timber Products Ltd however these contractors shall give priority to the work supplied by Hudson timber Products Ltd. Further, any contractor who does not give priority to the work supplied by Hudson Timber Products Ltd shall forfeit their rights under the Head Contract.
- (4) Nothing in this attachment limits the rights and obligations of any party nominated in the contract agreement and attachments.

HEAD CONTRACT

Description

This contract is for the cartage of product produced by Hudson Timber Products Ltd. Such cartage is described in the attached Contract Agreement (attachment A).

This contract is between Hudson Timber Products Ltd (ABN 95081809814) and the following contract carriers:

GJ & DK ADDIS	ABN 99613007567
SR & KA BAKER	ABN 45325147020
LA & A BLIGH	ABN 81801975945
PJ & KN BURKE	ABN 90209631642
FD & WE HUNT	ABN 97827977331
J & S TATTERSALL HAULAGE	ABN 54649051815
BW & KA TRANSPORT	ABN 22823419043
NS SR & DR MARTIN	ABN 84002724129
P & D MELLROSS	ABN 80517393581

Term

This contract shall be binding on all parties from the date of signing until 28 November 2008.

Commitment to renew Contract Agreement

Both parties commit to renew the contract agreement (attachment A) in the New South Wales Industrial Relations Commission as appropriate with an expiry date of the renewed document 28 November 2008.

Assignment

Any of the contract carriers who are parties to this agreement may assign this contract to another party on the following basis:

- (a) the amount paid between the contract carrier and the person or entity to who the contract is being assigned is between those two parties only.
- (b) that any assignment must be with the permission of Hudson Timber Products Ltd and that this permission will not be unreasonable withheld.

Signatures

SIGNED for and on behalf of:

GJ & DK ADDIS	_____
SR & KA BAKER	_____
LA & A BLIGH	_____
PJ & KN BURKE	_____
FD & WE HUNT	_____
J & S TATTERSALL HAULAGE	_____
BW & KA TRANSPORT	_____
NS SR & DR MARTIN	_____
P & D MELLROSS	_____

SIGNED for and on behalf of:
Hudson Timber Products Ltd
