

**REGISTER OF
ENTERPRISE AGREEMENTS**

ENTERPRISE AGREEMENT NO: EA01/23

TITLE: MPG Logistics Pty Ltd (Tricon), Wetherill Park Warehouse Enterprise Agreement 2000

I.R.C. NO: 2000/5983

DATE APPROVED/COMMENCEMENT: 21 December 2000/ 1 October 1999

TERM: _____ 36 months

**NEW AGREEMENT OR
VARIATION: New**

GAZETTAL REFERENCE: 2 March 2001

DATE TERMINATED:

NUMBER OF PAGES: 11

COVERAGE/DESCRIPTION OF

EMPLOYEES: Applies to the Company's warehouse personnel engaged in product receiving, storage, picking, packing, loading and related duties

PARTIES: MPG Logistics -&- Transport Workers' Union of Australia, New South Wales Branch



MPG LOGISTICS PTY LTD (TRICON), WETHERILL PARK
WAREHOUSE ENTERPRISE AGREEMENT 2000

Arrangement

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SECTION 1 - INTRODUCTION

Clause 1: Title

This Agreement shall be titled the MPG Logistics Pty Ltd (Tricon), Wetherill Park Warehouse Enterprise Agreement, 2000.

Clause 2: Purpose of the Agreement**(i) Intent**

This document provides the Company and its employees the opportunity to develop specific improvements and initiatives within the business. The Company, in conjunction with the Union and its employees, intends to maintain stable and harmonious employee relations within the business unit and site, through greater flexibility, 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

(ii) Continuous Improvement Activities

The Company and its employees are committed to identifying and implementing ways to improve productivity and efficiency at the enterprise level during the life of this document. To this end, the employees shall actively pursue the Company's 'Leading Change' principles and the parties shall examine and mutually agree specific productivity and efficiency initiatives including, but not limited to, the introduction of key performance indicators, improved delivery services, flexible work patterns, work roster modelling and workers compensation strategies.

(iii) Consultative Committee and Union Commitments

The Company and its employees shall maintain a Consultative Committee to meet at least quarterly to ensure that the consultative approach to workplace changes continues. The Committee shall monitor the Company's critical key performance indicators (KPIs), as well as the effectiveness of this document and the progress of its jointly developed initiatives. The Company shall continue to set KPIs to achieve forecast profitability and optimum customer service levels.

(iv) Management and Staff Commitments

The parties agree that the participative consultation process shall become 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 3: Relationship to Other Agreements

This Agreement shall be read and interpreted in conjunction with: (a) The Mayne Nickless (Pepsico) Wetherill Park Consent Award, 1996, (b) the MPG Logistics Pty Ltd – TWU (NSW Branch) Heads of Agreement (Employees A) and (c) the NSW Transport Industry Award (as amended). This Agreement shall prevail to the extent of any inconsistency between it and any of the above Agreements/Awards, and the parties shall refer to the Agreements on the order listed above if uncertainty arises.



Clause 4: Scope and Application

The terms and conditions of this Agreement shall apply to MPG Logistics Pty Ltd, 350 Victoria Street Wetherill Park (hereinafter referred to as 'the Company'), the Transport Workers Union of Australia, New South Wales Branch (hereinafter referred to as 'the Union') and the Company's warehouse personnel (seconded from Mayne Nickless Ltd) engaged in product receiving, storage, picking, packing, loading and related duties in support of the Tricon contract (hereinafter referred to as 'the Employees').

Clause 5: Period of Operation

This Agreement shall operate from the first full pay period on and from 1st October 1999, and shall remain in force until 30th September 2002. Further negotiation shall commence three months prior to the Agreement expiration, but the document shall stay in force until replaced.

SECTION 2 - WAGES & RELATED MATTERS**Clause 6: Wage Rates**

The employees shall have their rates of pay adjusted from the first full pay period as set out below. The changes shall not apply to any allowances or other payments made.

(i) Initial Wage Increase

Rates of pay shall be increased by 3.5% from the first full pay period on and from 1st October, 1999.

(ii) Second Wage Increase

Rates of pay shall be increased by 3.5% from the first full pay period on and from 1st October, 2000.

(iii) Final Wage Increase

Rates of pay shall be increased by 3.5% from the first full pay period on and from 1st October, 2001.

TABLE: Permanent Warehouse Employee Hourly Wage Rates

Grade	Current Hourly Rates	Stage 1: 3.5% 1/10/99	Stage 2: 3.5% 1/10/00	Stage 3: 3.5% 1/10/01
Grade 1	\$12.9566	\$13.4101	\$13.8794	\$14.3652
Grade 2	\$13.4079	\$13.8772	\$14.3629	\$14.8656
Grade 3	\$13.7216	\$14.2019	\$14.6990	\$15.2134
Grade 4	\$13.9934	\$14.4832	\$14.9901	\$15.5147
Grade 5	\$14.6997	\$15.2142	\$15.7467	\$16.2978

Experienced employees engaged in warehouse-related duties shall be employed at the Grade 3 level.



Clause 7: Payment of Wages

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

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Clause 8: Payment for Meetings and/or Training

Employees shall generally attend meetings or training sessions during normal working hours. When required to attend meetings or training sessions outside normal working hours, employees shall receive seven days notice (or as otherwise agreed) and shall be paid at the ordinary-time hourly rate. Employees shall normally participate in Toolbox Meetings during normal working hours.

Clause 9: Public Holidays

The following Public Holidays shall be observed: New Year's Day, Australia Day, Good Friday, Easter Monday, Anzac Day, Queen's Birthday, Labour Day, Christmas Day, Boxing Day and Union Picnic Day (which may be recognised on Easter Saturday), plus any other day which may be gazetted by the Government.

Employees not rostered to work on a Public Holiday that falls between Monday and Friday shall be entitled to be paid for 7.6 hours at the Clause 6 – Wage Rates hourly wage rates. Employees who work a Public Holiday shall be paid at the appropriate penalty rate. The Company and its employees may agree to transfer a public holiday to another day better suited to the needs of the employee(s) and/or the business. The public holiday payment will then defer to the more suitable day.

An employee who is absent from duty on the days or part thereof immediately before and/or after a Public Holiday, without the Company's permission, shall not be entitled to the public holiday payment, unless providing an acceptable medical certificate or similar explanation immediately upon return to work.

Clause 10: Income Protection

The Company acknowledges that its employees shall have the option to be covered by an approved Sickness and Accident Income Protection Plan, and the Company shall support such payments as a 'before tax' deduction and shall administer all deductions and remittances on behalf of the employees.

Clause 11: Freezer Allowance

Employees who are required to work continuously in the freezer for more than four hours shall be paid a freezer allowance of \$5 per day. The allowance shall only be paid for the days an employee actually works in the freezer. The Company shall not needlessly rotate employees out of the freezer to avoid paying the freezer allowance.

Clause 12: Re-stocking Allowance

Employees routinely employed in receiving and/or re-stocking activities are responsible for ensuring that new product is accurately receipted and put away, to facilitate efficient order picking. A Re-stocking Allowance of \$10.00 per week shall be paid to permanent, rostered employees who, through accurate 'blind tallies' and efficient product handling, substantially contribute to the site's 99.8% Sales Order Compliance performance achievement.

Clause 13: No Extra Claims

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

As resolved by the Heads of Agreement, a consultative committee is to be established to review and measure the inflationary impact of the Goods and Services Taxation (GST) on wages in real terms, on or after 1st July 2001. The review may, if appropriate, re-negotiate the wage structure of this Agreement, only to offset any negative variation.

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SECTION 3 - TERMS & CONDITIONS OF EMPLOYMENT**Clause 14: Hours**

To enhance client needs and ensure effective operational coverage, innovative working hours may be maintained by agreement, and each employee shall be prepared to commence duties at times to provide warehousing services in a timely manner. Employees may work up to ten hours per day, up to a maximum of 152 ordinary hours per four-week period. Shifts may be staggered to ensure that working hours complement the needs of the business

Clause 15: Flexible Starting Time

To complement customer needs and efficiencies, starting times may be adjusted to maintain a flexible and speedy service, provided that employees are notified prior to the conclusion of the previous shift. Whenever possible, employees shall receive seven days notice of the change of start time or, by agreement, sufficient notice at the completion of the previous shifts worked.

Clause 16: Flexible Lunch Arrangement

To improve supplier and customer service and vehicle operations, employees shall arrange their meal breaks to complement relevant activities. Accordingly, meal breaks may be varied to ensure they are taken at a more convenient time during the shift.

Clause 17: New Employees

Any new employees commencing warehouse duties at the Tricon site shall enjoy terms and conditions no less favourable than those provided by this Agreement.

Clause 18: Probationary Employees

New employees shall be subject to a three month probationary period and, whilst under probation, shall be paid at the Clause 6 – Wage Rates 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 are not satisfactory may be terminated by provision of one week's notice. Similarly, if the new employee is not satisfied with any working arrangements, the employee may resign within the probationary period on provision of on one week's notice. Probationary employees who successfully complete the probationary period shall be classified as permanent weekly employees.

Clause 19: Casual Employees

Casual employees, whether employed directly by the Company or through an agency, shall be paid at the Clause 6 – Wage rates hourly rate, plus 15% casual loading and 1/12th in lieu of Annual Leave. Casuals shall not be eligible for recalls, public holidays, Union Picnic Days, sick leave, annual leave, bereavement leave, jury service, redundancy or annual leave loading. Casuals shall receive a minimum payment of four hours for each start.

Clause 20: Permanent Part Time Employees

The Company may employ Permanent Part Time employees who are permanently appointed to work fewer hours each week than other full-time employees. The Company and its Permanent Part Time employees shall agree the number of hours to be worked at the Clause 6 – Wage Rates hourly rate of pay. Permanent Part Time employees 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. Hours worked in excess of these hours shall be paid at the applicable overtime rate. Permanent Part Time employees shall be entitled to all other entitlements on a pro rata basis.

Clause 21: Abandonment of Employment

Employees who are absent from work for three consecutive rostered days without the consent of the Company and who fail to notify their supervisor, shall be deemed to have abandoned their employment. After the Company has made reasonable efforts to contact the absentee, the employee's employment shall be terminated and their entitlements paid up to the last day worked, unless particular reasons are given within seven working days.

Clause 22: Management Operational Assistance

The parties agree that Management Operating Assistance (MOA) shall apply when the situation is critical eg, when the failure of management to handle product would cause the significant loss or deterioration of perishable items or for essential health and safety reasons.

Clause 23: Housekeeping and Maintenance

Employees shall ensure that their equipment and 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 directed.

Clause 24: Annual Leave

During normal business activity, a maximum of two employees may proceed on Annual Leave at the same time from the operation. During 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 by mutual agreement. The submission of an Annual Leave request does not constitute the approval of the leave, and the Company shall inform its employees within seven days of the submission of the application of the approval or non-approval of the requested leave.



Clause 25: Sick Leave

Absenteeism is a significant, detrimental cost to the business and, to reduce its incidence, the parties agree that sick leave for two or more consecutive day or any day adjacent to a weekend must be supported by a medical certificate. In addition, every day of sick leave absence after a total of four days (from the sick leave entitlement anniversary) has been taken during the year shall also need to be supported by a medical certificate. Failure to provide a certificate for such absences shall result in the non-payment of wages for the period during which the employee was not at work. Failure to provide the Company sufficient prior notice of an absence may result in disciplinary action.

Clause 26: Time In Lieu of Overtime

Employees may take time off in lieu of overtime on an hour-for-hour basis, by agreement.

Clause 27: 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 qualifications, capabilities and specific skill constraints. Otherwise, employees with the least time working for the Company shall normally be relocated, subject to relevant circumstances. Relocated employees shall be subject to the new site's Enterprise Agreement, so long as the relocation is not financially detrimental to the employee. Employees seeking a transfer to another site for their own reason(s) shall agree to work to that site's Enterprise Agreement.

Clause 28: Labour Flexibility

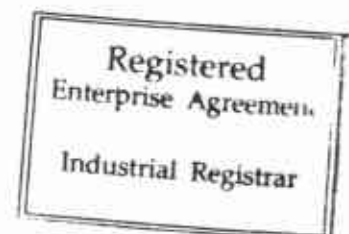
Employees, as and when directed by the Company, shall make themselves available to work in other activities within their skill, competency and training, to gain experience in other tasks and functions associated with the Company's operational activities, and shall undertake any necessary training to facilitate multi-skilling. Employees may be specifically required to train as driver offside to support delivery security issues, heavy loads, breakdowns and/or staff familiarisation.

Clause 29: Future Technology

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

Clause 30: 'Leading Change' Improvement

The 'Leading Change' doctrine actively promotes management inspiration, a strong leadership example, and effective personnel decision-making participation, initiative and reward. The Company and its employees embrace these principles, and shall actively foster the introduction of productivity improvement initiatives. The employees accept that the Company needs to benchmark warehouse performances and may alter work practices, systems and processes to improve cube rate productivity through a consultative process.



Clause 31: Service Levels

The parties shall establish procedures to achieve the customer's minimum key performance indicator (KPI) outcomes, to eliminate picking errors, to accurately construct and load pallets for routing and to develop other initiatives. Employees on product pick duties may be required to each consistently pick at a rate of 160 cubes per hour. As a minimum, the employees shall also strive to consistently achieve, and frequently exceed:

- 85% Perfect Orders, and
- 99.8% Sales Compliance

SECTION 4 - EMPLOYEE PROGRAMMES**Clause 32: Procedures for the Prevention and Settlement of Disputes**

The parties are committed to doing everything possible to avoid an interruption to the operations of the Company and the customer. As such, it is a strict term of this Agreement that adherence to the dispute procedure shall occur and normal work shall continue while the procedure is observed.

Disputes Avoidance Procedure

Application. The following dispute avoidance procedure shall apply when a question, dispute or difficulty arises involving employees and the management of the Company.

Objective. The objective of the procedure is to facilitate the resolution of questions, disputes or difficulties without disruption to the operations of the Company. It recognises that the intent of the parties is to support the timely and orderly closure of issues that arise in the workplace from time to time.

Process

Dispute occurs:

- Stage 1 – the matter shall first be discussed at the workplace level between employees and relevant management. If an employee so requests, the TWU delegate may be present during the discussions. (After Stage 1 is completed, there is a 48 hours cooling off period where the status quo is retained).
- Stage 2 – if the matter is not settled, conferences shall be held between the appropriate TWU official and management. (After Stage 2, there is a further 48 hours cooling off period where the status quo is retained).
- Stage 3 – if the matter is still not settled it shall be discussed between the TWU Branch Secretary (or nominee) and the Company. (After Stage 3, there is a further 48 hours cooling off period where the status quo is retained).
- Stage 4 – the matter is then referred to the Industrial Relations Commission (IRC) of New South Wales for conciliation. The IRC may make a determination which is binding on the parties where there is no likelihood that, within a reasonable period, conciliation or further conciliation will result in agreement.



Variations

Safety issues shall generally be dealt with as determined by the site OH&S Committee or other State OH&S bodies, as appropriate.

Essential Services eg, blood and other medical supplies and perishable items shall not be interrupted through industrial disputation. Additionally, where specific Agreement exemptions or other priority services have been agreed, these shall continue to apply.

Perishable items shall be defined as any product that may spoil if not delivered, despatched and appropriately warehoused within the manufacturer's guidelines for timing. This shall include but is not limited to temperature controlled goods.

'Status Quo' is defined as the practice in place prior to the dispute. If the 'status quo' cannot be agreed, this procedure requires that the matter be 'fast tracked' to the IRC with no commitment given.

This settlement of disputes procedure shall apply to any dispute or claim (whether it arises out of this Agreement or not) relating to the wages or conditions of employment or employees employed by the Company.

Clause 33: Code of Conduct

The Company and its employees acknowledge that the Code of Conduct principles and guidelines are to ensure that employees clearly understand their responsibilities and obligations relating to acts of dishonesty, Company policy and general discipline.

General. Employees are required to:

- effectively perform their duties in support of business objectives and award/agreement policies, rules and procedures,
- treat customers and colleagues with honesty, courtesy and respect,
- attend work when required and report absences immediately, and
- perform consistently in a safe and healthy manner.

Acts of Dishonesty. The following are examples of behaviour that employees recognise as dismissible offences:

- proven cases of theft and pilferage (stealing),
- falsifying time sheet and similar documents to gain a benefit (overtime) that the employee is not entitled to,
- any malicious violence during Company time directed towards the Company's property, customers or their property, a member of the public and/or a fellow employee,
- refusal to carry out a lawful and reasonable request given by a Company representative,
- use or possession of illegal drugs, alcohol or other substances in Company time and/or Company property, noting that prescription drugs should be brought to the attention of the employee's supervisor.

Misconduct. The following are examples of behaviour that may lead to disciplinary action being taken against the employee:

- driving a vehicle in the yard complex at excessive speed,
- mishandling (throwing, kicking) and, thereby, causing damage to freight,
- inadequate vehicle checks (oil, water, tyres and fuel) resulting in a breakdown, vehicle damage, or loss of productive time,
- not approaching and treating employees in a reasonable and civil manner,
- failure to notify the Company when arriving at work later (within one hour) than the normal starting time,
- unacceptable attendance, continual lateness, patterned absences, failure to notify the Company of a pending absence (prior to rostered starting time),
- failure to wear Company uniform while representing the Company while effecting deliveries and pick-ups,

- failure to effectively perform duties,
- under the influence of alcohol when reporting to work,
- failure to work in a safe and healthy manner, and/or
- failure to comply with operating procedures leading to injury/damage to property/persons or productivity.

General Conduct. In cases of serious misconduct, employees may be given a verbal warning, a written warning or be dismissed, depending on the following criteria:

- the circumstances and work relevance of the misconduct,
- the seriousness of the misconduct,
- the employee's explanation of his/her conduct, and
- the employee's past conduct and personal situation.

Note 1: At the discretion of the Company, an employee involved in misconduct (other than acts of dishonesty) may be stood down on normal pay, pending a full investigation.

Note 2: Letters of Warning for misconduct (other than acts of dishonesty) will remain on an employee's file for 9 months (for First Warning), 12 months (for Second Warning) or 24 months (for Final Warning). The employee will be required to sign Letters of Warning to confirm that the content is understood.

Note 3: The employee has the right to have a witness of choice present during all of the above steps. The employee also has the right to have a union official and/or delegate present during any phase of the disciplinary proceedings.

Clause 34: Employee Operational Efficiency Improvement

The Company and its employees agree to discuss and implement measures that shall assist to significantly improve operational efficiencies and productivity and minimise wastage. Such measures shall be developed in consultation with the Consultative Committee and may include such incentive opportunities as the practice of productive working hours being based specifically upon the completion of 'targeted' product volume quotas.

Clause 35: Occupational Health and Safety Improvement

The Company recognises the importance of preventing workplace accidents and injuries, and shall commit substantial time, effort and resources to heighten employee safety awareness and improve workplace systems, resources and equipment. The Company encourages the active participation of its employees in support of this fundamental objective and shall consult with the Wetherill Park Health and Safety Committee to develop appropriate measures that may incorporate some form of incentive. Failure to demonstrate competency and safe working practices shall be subject to disciplinary action. These measures shall not contradict safety principles or worker's compensation regulations, particularly those relating to the reporting of incidents and near misses.



Agreement Signatories:

**Signed for and on behalf of
MPG Logistics Pty Ltd, trading as
Mayne Logistics**

Date: 24/8/00

Signed: [Signature]
DAVID HAY
General Manager
Food Services and Grocery

Witnessed: [Signature]
DAVID BOWLES
Business Manager - Tricon
Wetherill Park

**Signed for and on behalf of
Transport Workers Union of Australia,
New South Wales Branch**

Date: 6/10/00

Signed: [Signature]
TONY SHELDON
State Secretary

Witnessed: [Signature]
JOE ARKUS
Official

CHRIS PEARS

[Signature]
John A. [unclear]
John Anthony Smith

