

**REGISTER OF
CONTRACT AGREEMENTS**

CONTRACT AGREEMENT NO: CA01/7

TITLE: Mayne Logistics Network (Newcastle) - Contract Carrier Agreement 2001

I.R.C. NO: IRC01/3649

DATE APPROVED/COMMENCEMENT: 27 June 2001

TERM: 12 Months

**NEW AGREEMENT OR
VARIATION: New**

GAZETTAL REFERENCE: 31 August 2001

DATE TERMINATED:

NUMBER OF PAGES: 17

**COVERAGE/DESCRIPTION OF EMPLOYEES: Applies to all employees engaged under
Transport Industry - General Carriers Contract Determination**

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



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FILED
01 JUN 2001
OFFICE OF THE INDUSTRIAL
REGISTRAR

Newcastle Agreement 2001

between

Newcastle
Contract Agreement
Industrial Registrar

MAYNE LOGISTICS NETWORK

(A Business of Mayne Nickless Limited) ACN 004 073 410

and

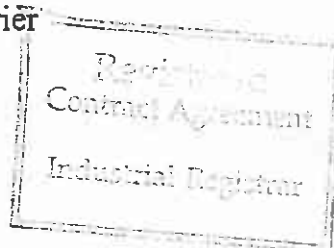
**TRANSPORT WORKERS UNION OF AUSTRALIA
NEW SOUTH WALES BRANCH**

**PURSUANT TO SECTION 322 OF THE
NEW SOUTH WALES
INDUSTRIAL RELATIONS ACT 1996**

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Attachments:

- | | |
|------------|---|
| Schedule 1 | Contract Carriers party to this Agreement |
| Schedule 2 | Remuneration |
| Schedule 3 | Capping of Redundancy |

THIS AGREEMENT is made the day of 2001

BETWEEN

MAYNE NICKLESS LIMITED
t/as **MAYNE LOGISTICS NETWORK** ("the Company")



AND

THE CONTRACT CARRIERS ENGAGED BY THE COMPANY AND NAMED IN SCHEDULE 1 ("the Contract Carriers")

- A. It is agreed that the following shall be the terms and conditions applicable to contracts of carriage involving transport services (PUD, loading, unloading, sorting.)
- B. The Company will continue to engage Contract Carriers named in Schedule 1 to carry out transport services. The Company and the Contract Carriers agree that such contract of carriage will be in accordance with the terms and conditions of this agreement.
- C. Each Contract Carrier will be in the business of providing transport services to the Company as an independent contract carrier.
- D. The Union shall mean the Transport Workers' Union of Australia, New South Wales Branch.
- E. GST includes relevant legislation as amended, and the Transport Industry (GST Facilitation) Contract Determination, as amended. X

NOW IT IS HEREBY AGREED AS FOLLOWS:

1. Term of Engagement

- 1.1 If the Contract Carrier has not previously been engaged by the Principal Contractor he/she shall commence on a Probationary period of Eighteen weeks (18) weeks.
- 1.2 Contract Carriers who were engaged prior to the commencement of this agreement continue engagement subject to the terms and conditions of this agreement.

2. Responsibility of the Contract Carrier

- 2.1 The Contract Carrier shall be responsible for the delivery and collection of freight as required.
- 2.2 The Contract Carrier shall carry out Transport Services for the Company as required in accordance with the Code of Conduct (Clause 11).
- 2.3 The Contract Carrier shall be available to perform transport services on all days and hours required to complete transport services in accordance with this Agreement.
- 2.4 The Contract Carrier shall provide and maintain a motor vehicle approved in writing by the Company for the purpose of delivering and collecting freight (refer clause 7).
- 2.5 The Contract Carrier shall keep the vehicle in a secure/locked condition (whilst unattended) during the course of delivering or collecting freight and will ensure that the vehicle is at all times weather proof.
- 2.6 The Contract Carrier shall possess a current NSW Driver's Licence relevant to the type of vehicle used to perform duties for the Company. This licence will be produced twice yearly on request by the Company.
- 2.7 The Contract Carrier shall insure the vehicle and keep it insured under a comprehensive policy of insurance and maintain a Public Liability policy.

At all times the Contract Carrier shall indemnify the Company against all actions, suits, claims and demands arising out of any act, default or neglect in relation to motor vehicle accidents, or public liability by the Contract Carrier in the performance of Transport Services under this Agreement.

Contract Carriers are encouraged to obtain a Personal Sickness and Accident Policy.

The Contract Carrier will present evidence of current insurances to the Principal Contractor; on request.

- 2.8 The Contract Carrier shall be responsible for payment of all fuel, running costs, repairs and other like costs incurred in respect of the Contract Carrier's vehicle. The Principal Contractor shall not be liable to the Contract Carriers for any such Payments. Such matters form part of the Contract Carrier current remuneration contained in the Remuneration Schedule to this Agreement.

2.9 At the completion of each days work, the Contract Carrier shall hand in completed Pick up and Delivery (PUD) Sheets, Consignment Notes and all other relevant papers as required by the Company. Where drivers are required to carry out counts or compile statistical data relating to their run, it will be in a set format and make up part of the run as required by the Principal Contractor.

2.10 The Contract Carrier shall use all reasonable efforts to protect and advance the reputation of the Company and shall not divulge any information pertaining to the Company's business activities or those of its clients. Information in this clause is deemed to be any details about the Company and/or its clients other than what is publicly available.

2.11 The Contract Carrier shall complete and submit daily, an invoice for Transport Services performed for the Company. The invoice will be provided in a format agreed to by the parties to this Agreement.

2.12 On Commencement of each engagement the Contract Carrier shall collect and load/unload freight and process such freight in accordance with the Principal Contractors operational procedures. The Contract Carrier shall complete and leave the necessary documentation prior to departing the depot.

2.13 The Contract Carrier shall comply with operational requirements of the Principal Contractor when unable to pick up or deliver a consignment. In such cases the Contract Carrier shall contact the Principal Contractor to obtain additional information to execute such pick up or delivery.

If in radio contact, missed pick ups should be reported immediately however, if radio contact cannot be made the Contract Carrier shall advise the Principal Contractor as a matter of urgency to ensure alternate arrangements can be made.

2.14 The Contract Carrier will not verbally abuse or initiate or provoke arguments with a client of the Principal Contractor, recognising that to do so would be contrary to the interests of the Principal Contractor and the client (An investigation will occur into any such matters and a Contract Carriers representatives may be involved prior to any action taking place).

2.15 The Contract Carrier acknowledges and accepts that all consignee's and consignors served at all times are clients of the Principal Contractor and accordingly, not undertake any Contract of Carriage with another Principal Contractor or company whilst engaged by the Principal Contractor.

Further, the Contract Carrier shall not, in the absence of the Principal Contractors prior consent, attend to income deriving activities other than the

Principal Contractors business during hour of engagement by the Principal Contractor.

- 2.16 Contract Carriers will not carry any animals or unauthorised passengers in the vehicle without the consent of the Principal Contractor whilst undertaking contracts of carriage for the Principal Contractor. Provided, Contract Carriers will comply with any requirement of the Principal Contractor to have authorised passengers travel on the vehicle, concerning matters such as:- Reviewing runs, assessing run difficulties, training purposes, sales initiatives, familiarisation and / or induction circumstances, etc.
- 2.17 The Contract Carrier is required to be neat and presentable at all times and to wear the uniform at all times whilst providing transport service's. The uniform includes the wearing of an identification card/ badge when supplied by the Principal Contractor. Such identification Card remains the property of the Principal Contractor .
- 2.18 The Principal Contractor will from time to time introduce new technology to automate its business and the Contract Carrier will be available for training in the use of this technology. The use of such technology will form part of the provision of Transport services.
- 2.19 The Contract Carrier will obtain signatures for all Freight delivered unless there is an authority to leave notice then such freight is left in a safe / secure position.
- 2.20 The Contract Carrier will be responsible for the general cleaning and maintenance of the vehicle, as applicable. The Contract Carrier will comply with requests from the Principal Contractor to clean their vehicle(s) and to present their vehicle in a neat and clean manner at all times.

3. Responsibilities of the Company

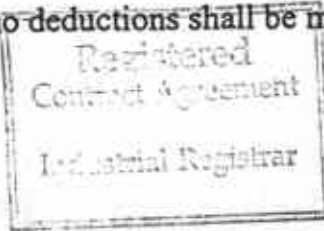
Pursuant to this Agreement the Company shall remunerate the Contract Carrier in accordance with schedule 2, attached to this agreement, for the provision of transport services under this Agreement. The Contract Carrier will present the Company with the appropriate form to comply with the Good and Services Tax (GST) Legislation, (as amended). Contract Carriers will not be remunerated for periods of non-engagement or rest periods. X

The company will remunerate each Contract Carrier on a fortnightly basis (ie: Wednesday) in accordance with GST arrangements (refer clause 2, subclause 2.11 above). X

It is expressly agreed and understood by the parties that the Company can take such steps, as it deems necessary to change its operation to satisfy an efficient operation and/or its commercial obligations to its customers, which includes the changing of runs and the re-allocation of work as required. In the case of permanent run changes

only, Contract Carrier(s) will be given seven (7) days notice from the Principal Contractor prior to any permanent run change.

In relation to deductions, excluding income tax and other statutory changes, or fuel purchased on the Principal Contractors account, ~~no deductions shall be made without~~ the prior written consent of the Contract Carrier.



4. Engagement Specifications

The Contract Carrier may be engaged Monday – Saturday and will only be paid for actual contracts of carriage performed involving transport services, excluding Public Holidays. Subject to Operational or Commercial changes occurring, the Contract Carrier shall commence engagement from 6.00am, provided start times and hours of engagement of individual runs may be varied by the Principal Contractor, after consultation with the Contract Carrier affected.

Provided, further Sunday operations may occur by consultation with Contract Carrier(s) and such arrangements will be in writing to meet business and /or customer requirements.

Contract Carriers engaged to perform Transport Services on a Weekend will be engaged for a minimum of four (4) hours.

Contract Carriers will only be paid for work actually performed in accordance with their run.

Contract Carriers will observe a minimum of thirty (30) minutes and up to three (3) hours for the purpose of a rest period. The Company will determine such period of time.

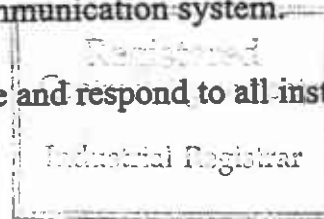
5. Periods of Non-Engagement

Contract Carriers can be unavailable for up to four (4) weeks excluding public holidays in a twelve- (12) month period and for up to eight (8) weeks excluding public holidays in a twenty four (24) month period. Periods of non engagement may be deemed necessary during the festive season. Periods of non-engagement will be subject to a yearly on/off system to ensure the needs of the business are maintained.

During periods of non-engagement the Contract Carrier can arrange for a replacement driver (an approved Driver) to perform Contracts of Carriage on behalf of the Contract Carrier only in circumstances where a replacement driver is deemed necessary. The Contract Carrier shall be solely responsible for all employment and/or engagement requirements of the approved Driver including all statutory requirements. In cases where the Contract Carrier does not supply a replacement driver, the company will arrange for a replacement vehicle and driver.

6. Communications System

- 6.1 The Company shall at its own expense supply and fit to the Contract Carrier's vehicle a communication system. Such systems will remain the property of the Company.
- 6.2 The Company will be responsible for maintenance of the communication system and re-installation of the communication system in an approved replacement vehicle except where such maintenance or re-installation is a result of the Contract Carrier's misuse or negligence.
- 6.3 The Contract Carrier shall keep the communication system in the listening (on) position whilst engaged to perform transport services. Contact the Depot if and when unable to do so by the communication system.
- 6.4 The Contract Carrier will acknowledge and respond to all instructions Initiated by the Principal Contractor.



7. Vehicle / Fleet Composition

The Contract Carrier will provide a vehicle to perform Transport Services on behalf of the Company. Such vehicle must be approved by the Company so as to ensure the Contract Carrier can perform Transport Services on behalf of the Company and in accordance with this Agreement. The Contractor shall ensure the vehicle is mechanically sound and is presented in a professional manner.

For image, safety and customer requirements, the Contract Carrier agrees to affix Company's decal to the Contract Carrier's vehicle.

The Company reserves its right at all times to determine its fleet composition and if necessary determine to run a fleet of vehicles owned by the Company. The Principal Contractor will also determine vehicle types.

In the event of the Principal Contractor altering its fleet composition pursuant to this clause, or in circumstances where a permanent Contract Carrier is made redundant but in no other circumstances, the Principal Contractor will assist in the sale of the permanent Contract Carrier's vehicle and will make good any shortfall between the residual value due to the early retirement of the lease, and the market value achieved through the sale of the vehicle.

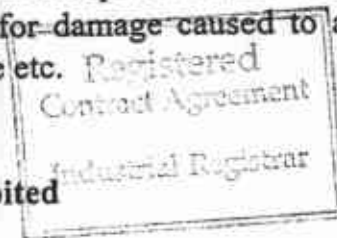
In so providing this assistance the Principal Contractor will not have any responsibility to pay the "fixed cost" component of the Mayne Nickless redundancy policy.

The Principal Contractor will only offer this assistance if:

1. The vehicle has been maintained to a good standard.
2. All lease payments have been made in accordance with the terms of the permanent Contract Carrier's lease Agreement. (No add ons).

At the expense of the Principal Contractor, the Contract Carrier agrees to affix decals etc to the Contract Carriers vehicle as required by the Principal Contractor. The Principal Contractor agrees to remove such signs or devices at no cost to the Contract Carrier upon termination or vehicle replacement and return the paintwork to a reasonable condition to the satisfaction of the Contract Carrier, including repairing antenna holes.

Prior approval by the Principal Contractor is required before work commences. The Principal Contractor will not be liable for damage caused to a vehicle by a non-
authorised person removing such signage etc.



8 Sale of Vehicle with Run Prohibited

All work remains the property of the Company and under no circumstance can

- a. a run be sold
- b. a vehicle be sold with a right to a run

Goodwill remains the property of the company and is not transferable under any circumstances.

9. Uniforms

In the interest of image, safety and customer requirements the Company will supply to the Contract Carrier uniforms as required. Uniform items will be replaced on a fair wear and tear basis and remains the property of the Company and are to be returned upon termination.

10. Workplace Health and Safety

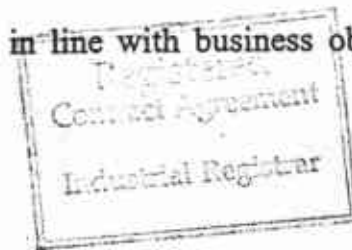
The Company and the Contract Carrier(s) shall ensure that they act in accordance with their responsibilities as contained in the New South Wales Occupational Health and Safety Act 1988 (as amended). This includes provision of first aid facilities at the Branch location.

11. Code of Conduct

The following Code of Conduct has been designed to ensure all Contract Carriers understand their obligations/responsibilities with regard to General Discipline.

All Contract Carriers are required to:

- i. Work in a safe and healthy manner.
- ii. Treat customers, colleagues and members of the general public with honesty, courtesy and respect.
- iii. Effectively perform their duties in line with business objectives and this Agreement.



12 Termination

12.1 Termination by the Contract Carrier

- a. Unless otherwise agreed the Contract Carrier shall give two- (2) week's notice of termination.
- b. The Contract Carrier shall return all Company property upon termination prior to final payment being made.

12.2 Termination by the Company

- a. The Company can terminate a Contract Carrier by giving two-(2) week's written notice to the Contract Carrier.
- b. Subject to a proper investigation, in the event of serious breach of this Agreement, a breach of its responsibilities or misconduct, the Company can terminate a Contract Carrier immediately without notice.
- c. Should the Principal Contractor terminate a Contract Carrier for any reason other than the circumstances referred to in sub-clause 12.2 b above the company will pay to the Contract Carrier the amount of money (frozen) referred to in Schedule 3 (capping of redundancy) of this agreement.
- d. Subject to sub clause C above, it is agreed and understood that from the 20 December 1999 that Contract Carriers shall have no further entitlement or claim to any form of redundancy or termination payments whatsoever.

13. Settlement of Disputes

Any issue arising out of this agreement will be dealt with in accordance with the following procedure:

- i. The matter in dispute shall be taken up by the accredited Union Delegate and/or Union Organiser with the appropriate Manager to consider and resolve by mutual agreement the dispute in question.
- ii. If the matter in dispute is unable to be settled by the above parties, either the accredited Union Delegate and/or Union Organiser shall refer it to the State Operations Manager for resolution.
- iii. If this still does not lead to a resolution of outstanding matters, the officers from the Union and the Company shall become involved. Either party may refer the dispute to the New South Wales Industrial Relations Commission.
- iv. Notwithstanding any of the above, work shall continue as normal while the disputes procedure is adopted. No party shall be prejudiced as to the final settlement by the continuation of work in accordance with this clause.

14. Criteria for Run Allocation Purposes

The Company agrees to adopt a "Criteria" For Run Allocation purposes in accordance with the following:

- Years of service
- Suitability of Contract Carrier
- Vehicle classification

This clause applies to the Contract Carriers named in Schedule 1 of this agreement.

15. Priority Services

The parties recognise the importance of complying with our commercial undertaking for matters such as:

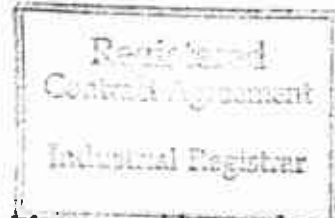
- Time Critical "bank"
- Urgent Hospital / Medical, etc

Deliveries and collection services.

Contract Carriers engaged to perform this type of work agree these services will not be affected in any way, shape or form by Industrial Action or Disputation in New South Wales, or as a result of any other circumstances as agreed with the State Secretary of the Transport Workers Union of Australia, New South Wales Branch.

16. Maintenance

Where a Contract Carrier requires his/her vehicle to be repaired or serviced during work hours, a suitable replacement vehicle is to be provided by the Contract Carrier.



17. Accidents or Breakdowns

Where the Contract Carrier's vehicle is involved in an accident or breakdown such that the state of the vehicle precludes it from continuing to be used in Contracts of Carriage, the Contract Carrier shall notify the depot as soon as possible about the circumstances of the accident or breakdown and the period which the vehicle will be unavailable. The Principal Contractor will determine the manner in which the run may be completed.

18. Entire Agreement

The terms and conditions contained in this Agreement constitute the entire agreement and supersede any other Agreement, arrangements or understanding between the parties. Both parties acknowledge that changing circumstances may require changes to this agreement.

19. Severability

In the event of the invalidity of any part or provision of this Agreement, such invalidity shall not effect the enforcability of any other part or provision of this Agreement.

20. Legal Relationship

The Company and the Contract Carrier agree that the legal relationship between the Company and the Contract Carrier is that of principal and independent contract carrier and not that of employer and employee and no term of this Agreement shall be construed as creating the relationship of employer and employee between the Company and the Contract Carrier.

21. Governing Law

This Agreement is to be governed and construed according to the laws of the State of New South Wales and the Commonwealth and any action thereon shall be subject to the jurisdiction of the said State and Commonwealth and the Courts thereof.

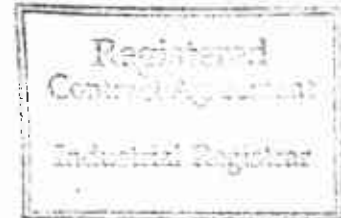
22. Union Membership

The legitimate role of the union as the representatives of contract carriers is accepted and encouraged, as is the exercise of the right of every individual to join the union.

It is the Principal Contract's policy that fair treatment and equitable payment of contract carriers does not rest on union membership only.

23. Leave Reserved

Leave is reserved for union payroll deductions.



24. Term of Agreement

Subject to Clause 12, Termination, this agreement shall come into effect from the date of ratification and remain in force for a period of twelve (12) months. The Company depending on its commercial and economic viability at the expiry date of this agreement may continue to operate in accordance with this agreement beyond such expiry date. The Company and the Contract Carrier(s) agree to commence talks Three (3) months prior to the expiry date of this agreement, on the viability of this agreement continuing beyond the expiry date. Any agreement reached will be in writing between the Contract Carriers and the Company.


**Signed for and on behalf of
Mayne Nickless Limited t/as
Mayne Logistics Network**

Site Manager
Newcastle



Network Manager

**Signed for and on behalf of
the Transport Workers Union**

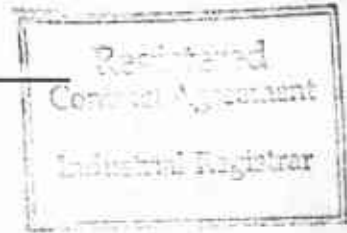


Tony Sheldon
State Secretary
Transport Workers Union – NSW Branch

Mark Crosdale
Transport Workers Union
Newcastle & Northern Sub Branch Secretary

Date

29.5.01.
Date



Date

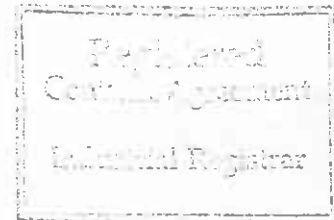
SCHEDULE 1
Contract Carriers Party to this Agreement

Contract Carrier Name (Print)
John Rowland
Bill Murrell
Alan Harbrow
Dave Barry
Henry Movick
Linda Kerr
Bill Burns
Barbara Milton
Richard Barnett
Max Metcalf
Barry Hough
Robert Kerr
Scott Adams
Tom Bourke
Cameron Gibbs
Patricia Adams
Anne Butler
Doug Merrick
Tony Nicholas
Bruce Newton
Peter Hokin
Graham Morrissey t/as Wynmok Pty Ltd

SCHEDULE 2
Contract Carriers Remuneration.

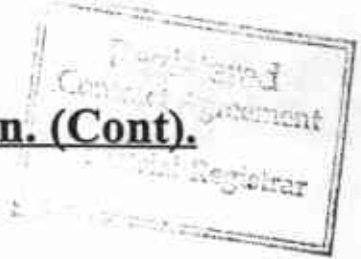
(i) **REMUNERATION:**

Contract Carrier	New Rate (all inclusive) \$
John Rowland	\$22.77
Bill Murrell	\$20.76
Alan Harbrow	\$20.81
Dave Barry	\$20.77
Henry Movick	\$23.86
Linda Kerr	\$22.05
Bill Burns	\$22.88
Barbara Milton	\$21.18
Richard Barnett	\$21.70
Max Metcalf	\$27.81
Barry Hough	\$21.52
Robert Kerr	\$21.80
Scott Adams	\$21.69
Tom Bourke	\$23.63
Cameron Gibbs	\$21.51
Patricia Adams	\$20.89
Anne Butler	\$21.59
Doug Merrick	\$23.46
Tony Nicholas	\$27.12
Bruce Newton	\$24.59
Peter Hokin	\$22.62
Graham Morrissey t/as Wynmok Pty Ltd	\$23.06



- These rates have been based on the previous 3 Tier System, using 50,000km per year.
- The above rates will only be paid for actual contracts of carriage performed.

SCHEDULE 2
Contract Carriers Remuneration. (Cont).



(ii) **KM RATE**

Contract Carriers who exceed 100,000 klm per annum (Actual klm travelled for the purpose of performing contracts of carriage) will receive a klm rate of 0.11 cents per klm. The klm rate is based on 78 cents per litre fuel based on 7 klm per litre used. The company will base the adjustment on the fuel companies average cents per litre fuel costs in Newcastle.

(iii) **WEEKEND RATE**

A four (4) hour minimum at \$20.07 per hour, with a km rate of 0.1695 cents for each km actually travelled will be paid to perform Transport Services.

(iv) **ALTERNATIVE REMUNERATION SCHEDULES**

By mutual Agreement in writing the Principal Contractor and Contract Carrier(s) may enter into an alternative remuneration system. Such alternative remuneration arrangements will be trialed to ensure it is commercially viable.

1. No double dipping will occur as part of any Remuneration provisions provided under this schedule.
2. All rates will be reviewed to ensure they are competitive and will be self-funding.
3. As part of the remuneration rates abovementioned all leave and superannuation provisions and payments will be the sole responsibility of the Contract Carrier.

SCHEDULE 3



It is agreed and understood that from the 20 December 1999, that Contract Carriers shall have no further entitlement or claim to any form of redundancy or termination payments whatsoever. However should the Principal Contractor terminate a Contract Carrier for any reason other than the circumstances referred to in sub-clause 12.2 b of this agreement the company will pay to the Contract Carrier the amount of money referred to in this Schedule 3 (capping of redundancy).

Set out below is the calculations (frozen) for each contract carrier's capping of redundancy.

Contract Carrier Name (Print)	Capped amount \$ (frozen)
John Rowland	Nil
Bill Murrell	\$22,254.75
Alan Harbrow	\$22,254.75
Dave Barry	\$6,869.39
Henry Movick	\$6,569.64
Linda Kerr	\$29,249.10
Bill Burns	\$14,624.55
Barbara Milton	\$26,069.85
Richard Barnett	\$13,738.78
Max Metcalf	\$6,994.35
Barry Hough	\$6,994.35
Robert Kerr	\$5,722.65
Scott Adams	\$9,537.75
Tom Burke	\$6,994.35
Cameron Gibbs	\$13,352.85
Patricia Adams	\$31,792.50
Anne Butler	\$14,624.55
Doug Merrick	\$2,497.96
Tony Nicholas	\$19,711.35
Bruce Newton	\$6,869.39
Peter Hokin	\$16,532.10
Graham Morrissey T/as Wymok Pty Ltd	\$2,543.40