

**REGISTER OF
CONTRACT AGREEMENTS**



CONTRACT AGREEMENT NO: CA97/4

TITLE: K & S Freighters Pty Ltd Homebush, LTL Contract Carriers Industrial Agreement 1996

I.R.C. NO: 97/23

DATE APPROVED/COMMENCEMENT: 19 February 1997

TERM: 12 months

**NEW AGREEMENT OR
VARIATION: New**

GAZETTAL REFERENCE:

DATE TERMINATED:

NUMBER OF PAGES: 16

COVERAGE/DESCRIPTION OF

EMPLOYEES: To apply to LTL Contract Carriers engaged in palletised heavy work at Homebush Depot

PARTIES: K & S Freighters Pty Ltd -&- Transport Workers' Union of Australia, New South Wales Branch



K & S FREIGHTERS - HOMEBUSH

**LTL CONTRACT CARRIERS
INDUSTRIAL AGREEMENT - 1996**

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INDUSTRIAL AGREEMENT - 1996**

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ARRANGEMENT

PART A

SUBJECT	CLAUSE NO.
Title	1
Relationship to Contract Determination	2
Cartage Rates	3
Area, Incident & Parties Bound	4
Date & Period of Operation	5
Improvement to Work Practices\ Efficiency Measures	6
Performance Indicators	7
Meal Times	8
Training	9
Annual Leave	10
Notice of Sick Leave	11
Cubing, Check Weighing	12
Correct Addressing & Destination Stickers	13
Correct Paperwork & POD	14
Vehicle Time in Depot	15
Linehaul Departure Times	16
Computer Aided Despatch System	17
Cartage of Dangerous Goods	18
Locking of Vehicles	19
Appearance	20
Cartage Account Payment	21
No Extra Claims	22
Disputes Resolution Procedure	23
Safety Issues	24
Superannuation	25
Workers' Compensation	26
Strikes	27
Renegotiation & Development of the Next Agreement	28
Single Bargaining Unit	29
Not to be used as a Precedent	30

PART B

**MONETARY RATES
TABLE 1 & 2- CARTAGE RATES**

PART A



1. TITLE

This Industrial Agreement shall be known as the K&S Freighters Pty. Ltd. Homebush, LTL Contract Carriers Industrial Agreement 1996.

2. RELATIONSHIP TO CONTRACT DETERMINATION

- 2.1 The Transport Industry General Carriers Contract Determination shall apply to the operations (as defined in that Determination) of K&S Freighters (Homebush LTL Contract Carriers) save and except for those matters dealt within this Industrial Agreement.
- 2.2 Where the terms of this Industrial Agreement and the terms of the Transport Industry General Carriers Contract Determination are in conflict, the terms of this Industrial Agreement shall prevail. This Industrial Agreement shall not be interpreted so as to reduce the productivity, efficiency or flexibility of working arrangements or conditions prescribed within the Transport Industry General Carriers Contract Determination.
- 2.3 The parties recognise the rights and responsibilities of management to arrange work within the Transport Industry General Carriers Contract Determination as modified by this Industrial Agreement in the best interests of the business and customer service.
- 2.4 The Transport Industry General Carriers Contract Determination shall be referred to hereinafter as "the Parent Determination" and this Industrial Agreement shall be known as the "LTL Agreement".
- 2.5 K&S Freighters Pty. Ltd. (Homebush) shall be referred to hereinafter as "the Company".

3. CARTAGE RATES

This LTL Agreement in so far as it fixes rates is made by reference to PART B, Cartage Rates herein.

The total cartage rate increase resulting from the LTL Contract Carriers Industrial Agreement 1996 when compared to the LTL Contract Carriers Industrial Agreement 1995 will not be applicable to any Contract Carrier who does not fully comply with the requirements of Clause 17 and 18 herein. Such Contract Carrier will be paid cartage rates pursuant to Schedule 2 of the LTL Contract Agreement 1996 herein.

4. AREA, INCIDENT AND PARTIES BOUND

This LTL Agreement shall be binding on the Transport Workers' Union of Australia (New South Wales Branch), its officers and members and K&S Freighters Pty Ltd Homebush and Contract Carriers of K & S Freighters LTL Homebush who are required to perform work covered by this LTL Agreement.

5. DATE & PERIOD OF OPERATION

This LTL Agreement shall come into force from the first full pay period which commences on or after the date of ratification by the Industrial Relations Commission and shall remain in force for a period of 12 months from that date.

6. IMPROVEMENT TO WORK PRACTICES/EFFICIENCY MEASURES

It is recognised and agreed by all parties that to remain competitive there will be an ongoing need to continuously improve systems, procedures and work practices.

It has been agreed to progressively define practices to be adopted and to implement them with consultation as they become relevant. It is agreed that practices should be defined so as to enable rather than limit opportunities for improved flexibility, efficiency and productivity or quality of working life for Contract Carriers.

The following procedures set out in the Company manuals are to be adhered to, monitored and improved upon where possible.

(a) Safe Working Practices and Injury Reduction

Through the Safety Awareness Program all Contract Carriers will understand and acknowledge their duty of care to themselves and each other and be committed to ensure a safe working environment to eliminate all injuries and accidents.

(b) Safe Handling and Stowage

The commitment of all Contract Carriers is required to handle all freight safely including complying with Dangerous Goods Acts and Codes and including all requirements to safely load, unload and handle all freight.

(c) Pallet Control

All Contract Carriers are required to adhere to the pallet procedure and to work conscientiously to protect the Company's interests so as to ensure accurate pallet control.

(d) **Security of Freight in Depot and on Vehicles**

In addition to Clause 18 of the Parent Determination, the Company and Contract Carriers are responsible for the care and security off freight whilst in their control. Contract Carriers agree to acknowledge this duty of care and act accordingly.

Procedures and codes of conduct have been or will be documented and agreed to in consultation with the Consultative Committee and Contract Carriers. Procedures and codes will be detailed in the Operating Manual.

Any unresolved difficulties will be addressed through the Disputes resolution procedure Clause 23 of this LTL Agreement.

7. 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 Contract 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.

It is recognised that performance indicators are not an end in themselves but are a means of identifying trends and efficiency against Best Practice benchmarks. They enable the identification of areas where there is potential for further improvements.



CRITICAL SUCCESS FACTOR	PERFORMANCE INDICATOR	PERFORMANCE MEASURE
1. Quality	Customer Satisfaction	*Level of customer complaints *On time delivery *On time despatch *Documentation *Loss/Damage to freight and equipment, eg: pallets
2. Work Environment	OH&S Performance	*Implementation OH&S policy, standards and procedures *Reducing the lost time through accident/injury
3. Resource Utilisation	Absenteeism (includes sick leave, industrial stoppage and other unpaid absence)	*Absentee hours as % of ordinary hours *Reducing the incidence of absence from work
4. Physical Output (Road)	Freight throughput	*Vehicle turnaround *Cost per tonne

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 definite intention of the parties is that there be a direct link developed between these indicators or similar and incentive bonus remuneration is to be an outcome.



8. MEAL TIMES

Flexibility

In relation to flexibility of operation, timing of meal breaks, it has been agreed that existing custom and yard practice will be maintained in that breaks are not separately paid or identified but are to be taken within the working span as the availability of work dictates to enable continuity of work flow.

It is agreed that Clause 5 of the Parent Determination is varied to allow the taking of meal breaks at a convenient time to maximise productivity. In formalising this custom and practice, it is recognised by all parties that no retrospective or prospective liability arises in relation to this clause of the Parent Determination.

It has been agreed that Contract Carriers working away from the K&S Freighters depot in the period when the break falls due will anticipate the work flow at either the customers premises so as to take the meal break at a time which is most advantageous to the vehicle achieving minimal lost time during loading/unloading or pick up/lodgement.

9. TRAINING

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

Statutory Licences

A new Contract Carrier will be required to obtain and maintain any statutory licences, personal to the Contract Carrier, necessary to perform the duties of engagement. These licences include but are not limited to licences to drive road vehicles and forklifts and dangerous goods licences.

Portable Skills Training

For all Contract Carriers where the company agrees to provide the cost of training for portable skills such as obtaining or maintenance of licences or development personal to the Contract Carrier, this training shall be free to the Contract Carrier. In return Contract Carriers will be expected to provide their own time and commitment to undertake the training.

Company Required Training

Where the Company require Contract Carriers to undertake training specific to their contract and development with the Company, this shall be provided free of cost to the Contract Carrier.



10. ANNUAL LEAVE

It is agreed by both parties that Clause 3 of the Parent Determination be varied to permit annual leave accrued to be taken in other than continuous periods by mutual agreement or by direction of the company with notice as per the Act.

11. NOTICE OF SICK LEAVE

In the event of a Contract Carrier being unable to attend for work because of illness, notification of non-attendance will be communicated at least one hour prior to the scheduled start time to the Shift Supervisor, where possible

12. CUBING, CHECK WEIGHING

All designated Contract Carriers will correctly cube and check weigh all freight as directed.

13. CORRECT ADDRESSING & DESTINATION STICKERS

All Contract Carriers will ensure all freight is correctly and legibly addressed and will have affixed K & S destination sticker completed with consignment note number, number of items and date.

14. CORRECT PAPERWORK & POD

- a/ When picking up freight, all Contract Carriers shall ensure all paperwork is correct and fully completed.

- b/ All Contract Carriers when delivering freight shall receive legible signatures when delivering freight requiring proof of delivery. If a signature is not legible, the driver shall obtain the name of the person who signed for the freight and the driver shall print such name next to the signature. If the receiver refuses to comply with your request, the Radio Supervisor must be advised immediately for advice as to what course of action should be taken.

15. VEHICLE TIME IN DEPOT

Pick up and deliver (PUD) vehicles turn around at Homebush Bay depot is approximately 45 minutes. This turn around time is to be reduced to a maximum of 20 minutes. The commitment of all Contract Carriers is required by this LTL Agreement.

16. LINEHAUL DEPARTURE TIMES

In accordance with schedules to be published, linehaul departure times will be met 100%. The commitment of all Contract Carriers is required to achieve this objective.

17. COMPUTER AIDED DESPATCH SYSTEM (C.A.D.)

All contract Carriers will fully comply with the company's operating procedures (and as varied from time to time) and directions in relation to the operation of the C.A.D. system so as to ensure its optimum efficient operation.

18. CARTAGE OF DANGEROUS GOODS

All Contract Carriers will maintain a capability to cart packaged dangerous goods at all times.

The company will supply to each Contract Carrier, at the company's cost, with a complete "dangerous goods package" as required by Statutory Regulations so as to enable each Carrier to cart packaged dangerous goods.

The company will arrange for the periodic inspection and maintenance of the "dangerous goods package" as recommended by Statutory Regulations and/or equipment supplier.

Each Carrier will be responsible for the "dangerous goods package" issued to him.

Replacement of any and all items in the issued "dangerous goods package" due to loss or damage or consumable will be arranged by the company when necessary.

Each Contractor will advise the company of any obvious deficiencies in his issued "dangerous goods package" at the earliest practical time.

All replacement and maintenance costs associated with the issued "dangerous goods package" will be borne by the respective Contract Carrier.

Each Carrier will provide the appropriate documentation to the company's satisfaction to verify that he has obtained insurance cover which takes full account of the nature of his cartage duties including that of packaged dangerous goods.

NB. The cartage of explosives, radio active goods and bulk dangerous goods are specifically excluded from this clause.



19. 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 tautliner shall be locked and/or secured by the driver. The locking of the vehicle is essential for the security of the freight and any freight lost as a result of failing to comply with this clause shall be deemed a serious breach of the contract and may lead to Contract termination.

20. APPEARANCE

Contract Carriers will attend work in clean, company provided uniforms. Drivers are required to ensure cabin of vehicle is kept clean on a daily basis.

The Company will supply uniforms in accordance with the Company Clothing Policy, refer Clause 5.1 of Induction Manual.

21. CARTAGE ACCOUNT PAYMENT

In accordance with existing practice, cartage account payment may be by direct electronic funds transfer into a Contract Carrier's nominated bank (or other financial institution) account, at the Company's discretion.

22. NO EXTRA CLAIMS

It is a condition of this LTL Agreement that the Union undertakes not to pursue any extra claims, award or overaward during the currency of this LTL Agreement.

There will be no further increases of the labour component of the cartage rate during the life of this LTL Agreement except those stipulated in this LTL Agreement. National and State Wage Case wage movements, or variations in the Parent Determination, will not apply to Contract Carriers covered by this LTL Agreement, except for variations in the Parent Determination due solely to vehicle cost increases or decreases approved by the Industrial Relations Commission. As any such additional increases may reduce the competitiveness of Contract Carriers. The Contract Carriers are committed to continually pursue and have instigated any and all initiatives which will result in an offset of such additional costs to the Company.

23. DISPUTES RESOLUTION PROCEDURE

The parties acknowledge their intent to address promptly and equitably any matter likely to lead to dispute in order to attain a resolution on site without

industrial action or the involvement of other parties so far as is reasonably and practicably possible. In order for this to occur, the following procedure will apply:

- (a) Subject to the New South Wales Industrial Relations Act 1991 (as amended) any dispute or claim whether any such dispute or claim arises out of the operation of this LTL Agreement relating to any Contract, shall be settled in the undermentioned manner:
- i. Site procedures are followed (ie: conferences with member, delegate, local official and site management).
 - ii. After (i) is completed there is a 24 hour cooling off period where the status quo is retained.
 - iii. During (ii) there are conferences between divisional management of K&S and Branch Secretary of TWU or nominee.
 - iv. After (iii) is completed there is a further 24 hour cooling off period where the status quo is retained.
 - v. During (iv) there are conferences between national management of K&S and the Branch Secretary of TWU.
 - vi. After (v) is completed there is a further 24 hour cooling off period where the status quo is retained.
 - vii. During (vi) the matter is referred to the IRC of NSW. **both parties will agree to the IRC's decisions.**
- (b) All work shall continue normally while these negotiations are taking place.



24. SAFETY ISSUES

Site safety issues that have been identified are to be addressed initially by the O.H. & S. Committee for appropriate action.

The procedure to be followed is as laid down in the appropriate Legislations.

25. SUPERANNUATION

The Company will continue to pay on behalf of each Contract Carrier covered by the LTL Industrial Agreement an amount of \$17.00 per week to a complying Superannuation Fund, during the life of this LTL Industrial Agreement.

This payment will in no way prejudice the Company's legal rights and/or obligations relating to the Superannuation Guarantee Federal Legislation and/or Transport Industry Superannuation (State) Award.

26. WORKERS' COMPENSATION

The Company will provide Workers Compensation Insurance, in accordance with the Act, for each Contract Carrier not trading as an incorporated body, covered by this LTL Industrial Agreement, during the life of this LTL Industrial Agreement.

Each Contract Carrier will provide and keep current during the life of this LTL Industrial Agreement, Workers' Compensation Insurance for any additional employee that the Contract Carrier may engage from time to time.

The inclusion of such Workers' Compensation Policy is mandatory on the Contract Carrier should he engage additional employees.

Original documentation to verify the implementation of such Workers' Compensation Policy will be submitted to the Company prior to commencement and thereafter on request with fourteen (14) days notice.



27. STRIKES

In the event of a strike, the parties are committed to do everything possible to avoid an interruption to the operation. However, the following matters are agreed to:

- (i) Urgent medical products to be delivered by a skeleton staff.
- (ii) That all freight is made secure and dry.
- (iii) Customers may come and collect their own freight, assisted by Supervisors and TWU members in life threatening circumstances or where perishable items are involved.
- (iv) Linehaul subcontractors allowed to drive into depot and trailer disconnected allowing the prime mover to leave

28. RENEGOTIATION AND DEVELOPMENT OF THE NEXT AGREEMENT

28.1 Prior to the expiry of this Industrial Agreement, the company and its Contract Carriers (and/or their respective representatives) shall enter into discussions in order to review the operation and the conditions included in this Industrial Agreement.

28.2 The review shall cover all matters raised in discussion, including but not limited to rates of pay, productivity improvements, measurement of productivity improvements and efficiency measures.

28.3 Negotiations with respect to the upgrade of vehicles and incorporation will take place within the first half of 1997.

29. SINGLE BARGAINING UNIT

- (i) For the purpose of negotiating this LTL Agreement a single bargaining unit has been established by the signatories to this LTL Agreement.
- (ii) The signatories to this LTL Agreement have formed a workplace consultative committee with representation from the Company's management and transport worker employees.



30. NOT TO BE USED AS A PRECEDENT

This LTL Agreement shall not be used in any manner whatsoever to obtain similar benefits in any other branch of the company or a related company.

MONETARY RATES

TABLE 1 - CARTAGE RATES

		CURRENT RATES		LTL AGREEMENT RATES	
VEHICLE CAPACITY	LABOUR RATE	HOURLY RATE	KLM RATE	HOURLY RATE	KLM RATE
8 TONNE	GR. 3	\$29.01	.4576	\$29.63	.4576
12 TONNE	GR. 4	\$34.67	.6378	\$35.30	.6378



N.B. As per Custom and Practice excess kilometres over and above 560 kilometres per week will be paid as per the LTL Agreement Kilometre Rate herein.

TABLE 2

LTL 1995 RATES

VEHICLE	LABOUR	HOUR RATE	KLM RATE
4 TONNE	GR. 2	\$19.88	.2732
6 TONNE	GR. 3	\$22.17	.3547
8 TONNE	GR. 3	\$27.35	.4401
12 TONNE	GR. 4	\$32.26	.6163

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Industrial Registrar

SIGNATORIES TO THE AGREEMENT

Signed for and on behalf of K & S Freighters Pty. Ltd.

[Signature]
Manager Signature

BRANCH MANAGER
Position

13.5.97.
Date

Contract Carriers

[Signature]
[Signature]
[Signature]
A. Turner.

In the presence of Witness

[Signature]
Signature

Position



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

[Signature]
Signature

BOB TABLER.
TWU Official

[Signature]
Signature

SECRETARY, TREASURER
Position

In the presence of Witness

[Signature]
Signature

Date