

**REGISTER OF
ENTERPRISE AGREEMENTS**

ENTERPRISE AGREEMENT NO: EA03/99

TITLE: Hagemeyer Brands Australia Kingsgrove Location Enterprise Agreement 2003

I.R.C. NO: IRC3/895

DATE APPROVED/COMMENCEMENT: 17 March 2003/1 February 2003

TERM: 31 January 2005

**NEW AGREEMENT OR
VARIATION:** Replaces EA02/21

GAZETTAL REFERENCE: 6 June 2003

DATE TERMINATED:

NUMBER OF PAGES: 30

COVERAGE/DESCRIPTION OF

EMPLOYEES: Applies to employees of Hagemeyer Brands Australia employed at the Kingsgrove location who fall within the coverage of the Storemen and Packers, General (State) Award

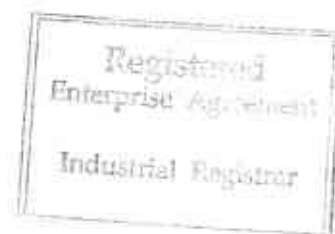
PARTIES: Hagemeyer Brands Australia -&- the National Union of Workers, New South Wales Branch

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Ex 2

**HAGEMEYER BRANDS AUSTRALIA
KINGSGROVE LOCATION**

ENTERPRISE AGREEMENT 2003

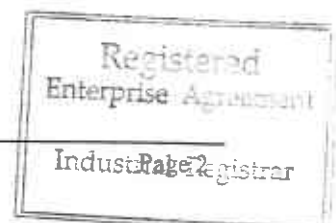


1 TITLE

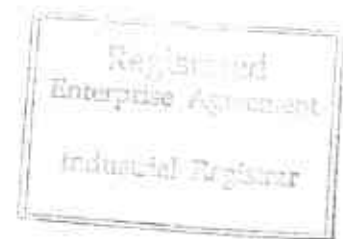
1.1.1 This agreement shall be known as the "Hagemeyer Brands Australia / NUW NSW Branch Enterprise Agreement 2003" hereafter referred to as "the Agreement".

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3 PARTIES BOUND

3.1.1 This agreement is between:

- a) Hagemeyer Brands Australia
- b) Employees at the Kingsgrove location engaged in any of the classifications set out in the Storemen and Packers General (State) NSW Award
- c) National Union of Workers, NSW Branch

4 APPLICATION

4.1.1 This agreement shall apply at the Company's premises located at 104 and 103 Vanessa Street, Kingsgrove, New South Wales.

5 RELATIONSHIP TO PARENT AWARD

5.1.1 This agreement shall be read and interpreted wholly and in conjunction with the Storemen and Packers General (State) Award; provided that where there is any inconsistency between the Award and this Agreement, this Agreement shall take precedence to the extent of the inconsistency.

5.1.2 This Agreement shall replace in full all previous enterprise awards and agreements.

6 DURATION AND RENEGOTIATION OF THE AGREEMENT

6.1.1 This agreement will operate from the first full pay period commencing on or after 1 February 2003 and will expire on 31 January 2005; for a period of twenty-four (24) months.

6.1.2 The parties are committed to entering into negotiations on the terms to a new agreement two (2) months before the expiry date of this agreement. It is envisaged that the terms of the new agreement will be finalised two (2) months thereafter. This new agreement shall be filed with the Industrial Relations Commission of the New South Wales for certification consequent upon the expiry of this agreement.

7 NO EXTRA CLAIMS

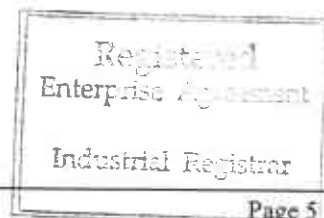
- 7.1.1 The company and the union agree that there will be no extra claims for the life of this Agreement.
- 7.1.2 It is agreed that the wage increases incorporated into this Agreement are in lieu of any general national or state wage increases that may be granted by the Industrial Relations Commission or state tribunals during the life of this Agreement.
- 7.1.3 This agreement shall not be used in any manner whatsoever to obtain similar arrangement or benefits in any other location or enterprise.

8 INTENTION OF AGREEMENT

- 8.1.1 The purpose of this agreement is to:
- a) Improve organisational effectiveness and productivity monitored by agreed measures, such as KPIs (Key Performance Indicators), to be identified.
 - b) Promote good relations between Hagemeyer Brands Australia and its employees.
 - c) Assist in the development of Hagemeyer Brands Australia as an organisation in which all employees are committed to its survival and economic success.
 - d) Create an organisation that services the needs of its stakeholders, including the employees, to help ensure continued viability and job security through continuous improvement of practice.

9 CONTINUOUS IMPROVEMENT

- 9.1.1 The parties recognise that the Company's long-term viability depends upon continuous improvements to the way in which it performs in the market place and continues to remain a sustainable business.
- 9.1.2 The parties agree that there will be full support for, and commitment to, the ongoing process of continuous improvement. The parties agree that the scope of improvement projects will be broad based and may include the following such as to achieve the corporate business goals of Hagemeyer Brands Australia as a whole:



- a) better organisational efficiency and effectiveness;
- b) improved work procedures/processes;
- c) better utilisation of equipment and resources;
- d) reductions in non productive time;
- e) introduction of new technology;
- f) organisational restructuring;

10 CLASSIFICATIONS

10.1.1 There are 3 classifications under this agreement, namely:

- 1) Team Member in Training
- 2) Team Member - Level A and Level B
- 3) Team Leader

10.2 Team Member in Training

10.2.1 A Team Member in Training is a person who upon appointment does not possess the relevant qualifications and experience required by the Company to competently perform the duties of their classification.

10.2.2 An employee at this level performs routine duties only to their level of training. Such an employee:

- a) works under direct supervision
- b) undertakes and completes training structured by the Company in order to develop relevant competencies
- c) exercises only minimal judgement during their training period
- d) participates in team based workplace activities as required

10.2.3 It is expected that the training period will be completed within three months, but if a trainee has unexpected absences, or training difficulties then the hours required will be spread over a longer period of time as outlined in clause 11 - Probationary Period.



10.3 Team Member (Level A and Level B)

10.3.1 An employee at these levels performs work above and beyond the skills of a Team Member in Training and to the level of their training. Such an employee:

- a) can perform tasks with general supervision, exercising limited discretion within defined procedures
- b) is trained in and applies basic quality/service requirements
- c) has knowledge of health and safety in relation to tasks performed
- d) can perform a range of tasks across all areas of the Distribution Centre or Spare Parts warehouse
- e) is able to provide training for fellow employees within their work area and skills limitations on skills development and workplace health and safety matters
- f) is responsible for assuring the quality/service of their own work
- g) is able to exercise good interpersonal and communication skills in dealing with fellow workers
- h) continues training as required by Hagemeyer Brands Australia.
- i) participates in team based workplace activities as required.

10.3.2 The above criteria applies to Team Members at both Level A and Level B. In addition to the above, Level B employees hold a current forklift licence and, if employed after 1 February 2001, also operates a forklift as part of their core duties.

10.3.3 New employees with a current forklift licence, will be eligible to be paid at Level B once their probation period is successfully completed and if their position includes operating a forklift as part of their core duties. Those without a licence, or those with a licence but not operating a forklift as part of their core duties, will be employed at Level A.

10.3.4 If a Level A employee, with a current forklift licence, is temporarily directed by their Manager or Supervisor to conduct work using a forklift, then they shall be paid the Level B rate for that day. If a Level A employee is permanently transferred to a position requiring the operation a forklift as part of their core duties, then they shall be increased and subsequently classified at the Level B rate.

10.3.5 Employees classified as Level B Team Members will not experience a drop in rate to Level A, for the life of this agreement, even if they are no longer required to operate a forklift as part of their core duties.

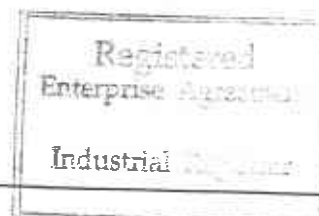
10.3.6 It is understood that the allowance listed in the Storemen and Packers General (State) Award for operating a forklift is already incorporated into the base rates paid under this Agreement.

10.4 Team Leader

- 10.4.1 A Team Leader shall refer to an employee appointed as such who has completed appropriate, accredited training and is capable of applying skills learnt there for the work. A Team Leader may supervise and direct other staff, however may also work to defined procedures in addition to supervisory tasks.
- 10.4.2 A Team Leader at this level performs work above and beyond the skills of a Team Member and to the level of their training. Such an employee:
- a) works from complex instructions and procedures
 - b) is able to provide training for fellow employees within their work
 - c) is able to co-ordinate work in a team environment or work individually under general supervision
 - d) is responsible for assuring the quality/service of their own work
 - e) is able to exercise good interpersonal and communication skills in dealing with fellow workers
 - f) is accountable and responsible for workplace output
 - g) is capable of working without supervision
 - h) understands Hagemeyer Brands Australia's entire Distribution Centre or Spare Parts operation
 - i) assists in the development and facilitation of training and development in conformity with Employers guidelines
 - j) demonstrates and applies high problem solving skills within defined procedures
 - k) continues training as required by Hagemeyer Brands Australia
 - l) participates in team based workplace activities as required.

11 PROBATIONARY PERIOD

- 11.1.1 During the first three months of employment, a new employee will be on probation, as indicated in clause 10.2.3.
- 11.1.2 The new employee will be supervised by their immediate supervisor who will assist them in understanding how aspects of the Company operate.
- 11.1.3 During their probation, the employee will be given every opportunity to correct any errors that arise and to learn all relevant tasks. Near the end of the probation period an assessment will be undertaken and if it is determined that they do not meet all criteria necessary to work in the Company their employment will be terminated.



11.1.4 If it becomes obvious during the probationary period that the employee will not meet the minimum standards within the three month period, their probationary period may be extended a further 3 months or their employment may be ended at that time. If this possibility arises, the matters of concern will be discussed with the employee so that they understand the reasons for an early end to their probation.

11.1.5 If the employee is ill or absent for ten working days or more during their probation period, the probation will be automatically extended by the number of working days absent.

12 ABANDONMENT OF EMPLOYMENT

12.1.1 The absence of an employee from work for a continuous period exceeding 3 working days without the consent of the Company and without notification to the Company, shall be prima facie evidence that the employee has abandoned his/her employment. If without success, the company has made reasonable attempts to contact the employee within the 3 working days, their employment shall be terminated and all due entitlements paid to them upon termination.

12.1.2 Further, if within a period of 14 days from his/her last attendance at work or the date of his/her last absence in respect of which notification has been given or consent has been granted, an employee has not established to the satisfaction of the Company that he/she was absent for reasonable cause, he/she shall be deemed to have abandoned his/her employment and the termination will not be reversed.

13 LABOUR FLEXIBILITY

13.1.1 For the purpose of increasing productivity and flexibility, as well as enhancing career opportunities, employees shall perform a wider range of duties including multiskilling and work which is incidental or peripheral to their main tasks or functions, but within the scope of their skills and competencies.

13.1.2 Employees shall perform such work as is reasonable and lawfully required of them by the employer including accepting instructions from their supervisor, the department manager/controller, or a staff member acting on behalf of the department manager/controller.



- 13.1.3 Employees shall take all reasonable steps to ensure the quality, accuracy, and completion of any job or task assigned to the employee.
- 13.1.4 Wider flexibility in rostering staff to meet market demands will result in an increase in efficiency. At peak times all staff are expected to work reasonable additional hours, as required, which shall be paid as overtime.
- 13.1.5 To ensure a flexible labour force and a reduction in lost time due to variation in work loads, all employees acknowledge that they may be directed to work throughout the Distribution Centre or Spare Parts warehouse across the range of all machines, equipment, and processes to cover absenteeism and work demands.
- 13.1.6 The company and the employee shall ensure that no employee will be required to undertake tasks for which they have not received adequate and appropriate training.
- 13.1.7 It is not the intention of the company to utilise casual labour as a permanent workforce. Casual labour will only be used when demand exceeds the capacity of permanent labour.

14 HOURS

- 14.1.1 The ordinary working hours, exclusive of meal times, shall average 38 hours per week, Monday to Friday.
- 14.1.2 Normal day ordinary hours will be between the span of 6.00am to 6.00pm.
- 14.1.3 Once having been fixed the time of commencing and finishing work shall not be altered without at least 7 days notice to the employee concerned or by mutual agreement between the employer and the employee.
- 14.1.4 Smoke breaks in addition to standard breaks are not permitted.
- 14.1.5 No other workbreaks are allowed, other than the morning rest break and lunch break, unless under emergency circumstances and with management approval.

15 WAGES AND INCENTIVES

15.1.1 Wages will be increased on a cumulative basis as follows:

01.02.03	3%
01.02.04	3%
01.08.04	2.5%

15.1.2 The wage adjustments referred to above shall be applied to the base rate classifications. It is agreed that the wage increases incorporated into this Agreement are in lieu of any general national or state wage increase that may be granted by the Industrial Relations Commission or state tribunals during the life of this Agreement.

15.1.3 In addition to the above, incentive payments shall be paid based on performance criteria being met. Incentive payments shall be paid as follows:

01.02.04	1% of current annual base rate	No written warning(s)
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15.1.4 No written warning incentive. This additional incentive component is payable where agreed performance criteria are satisfactorily met. It will not be paid if an individual has received one or more written warnings during the 12-month period immediately preceding the entitlement date for the respective incentive payment.

01.12.04	Range of \$400 - \$150 (see below)	Sick leave
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15.1.5 Sick leave incentive. The employee receives an incentive component payable in relation to the number of sick days taken in the 12-month period immediately preceding the entitlement date for the respective incentive payment. The incentive component is only deemed payable if the employee has not taken any days as leave without pay in the said 12 month period, unless the leave without pay period was approved by management in advance.

\$400	zero (0) sick days taken
\$350	no more than one (1) sick day taken
\$300	no more than two (2) sick days taken
\$250	no more than three (3) sick days taken
\$200	no more than four (4) sick days taken
\$150	no more than five (5) sick days taken

16 MEAL ALLOWANCE

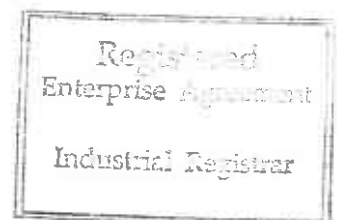
- 16.1.1 An employee who works overtime for more than one hour on any given day after their normal finishing time shall be paid \$9.05 as a meal allowance, unless notified on the previous day of the intention to work such overtime.
- 16.1.2 Should an employee be notified of the intention to work overtime and then not be called upon to do so, he/she shall be paid \$9.05 as a meal allowance.
- 16.1.3 Such payment of the meal allowance shall be paid in the employees' next pay packet.
- 16.1.4 The rate of the meal allowance will increase or decrease along with the rate in Storeman and Packers General (State) NSW Award.

17 PUBLIC HOLIDAYS

- 17.1.1 Permanent employees shall be entitled, without loss of pay, to public holidays as observed in New South Wales as follows: New Year's Day, Australia Day, Good Friday, Easter Saturday, Easter Monday, Anzac Day, Queen's Birthday, Labour Day (8 hour day), Christmas Day, and Boxing Day.
- 17.1.2 Permanent employees shall be entitled without loss of pay to any additional public holiday in New South Wales if such a public holiday is proclaimed, gazetted or legislated by the authority of the Commonwealth or State Government.
- 17.1.3 Permanent employees shall also be entitled to an additional paid holiday (in lieu of Picnic Day) in each calendar year.
- 17.1.4 Any employee who is absent without leave or reasonable excuse on the working day succeeding or preceding a public holiday shall not be entitled to payment for such holiday. Reasonable excuse shall be satisfied by a doctor certificate outlining the reason for the absence.

18 SUPERANNUATION

- 18.1.1 All payments will be subject to Superannuation Guarantee Legislation.

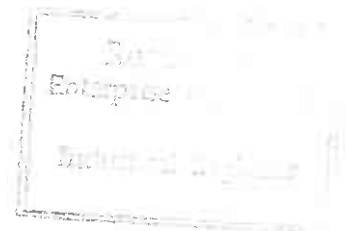


19 ANNUAL LEAVE

- 19.1.1 Annual leave may be taken by arrangement with the employer giving a minimum of 7 days prior notice of intention to take leave.
- 19.1.2 Annual leave is to be taken only with the agreement between the manager and the employee as to when leave will be taken, although an employee may be requested to take leave by their manager if their leave exceeds 4 weeks. Employees are required to complete an application form for annual leave, which is to be signed by the employee and their manager, then forwarded to the Human Resources Department.
- 19.1.3 No payment is to be made in lieu of annual leave, except upon termination.
- 19.1.4 The rate of pay for the calculation of annual leave is the base rate which applied immediately prior to the taking of leave, including the payment of the relevant leave loading.

20 SICK LEAVE

- 20.1.1 The parties are committed to ensuring that sick leave is available to be utilised in cases of genuine need only.
- 20.1.2 Full time permanent employees are entitled to 5 days upon commencement and thereafter 10 days upon their anniversary of each year of continuous employment.
- 20.1.3 Part time permanent employees are entitled to sick leave on a pro rata basis.
- 20.1.4 Sick leave taken and approved shall be deducted from the employees accrued entitlement.
- 20.1.5 An employee's unused sick leave entitlement from any year shall accrue to the following year.
- 20.1.6 An employee shall not be entitled to paid sick leave for any period in respect of which they are entitled to Worker's Compensation.



20.1.7 The granting of sick leave shall be subject to the following conditions:

- a) The employee shall notify their supervisor or department manager/controller prior to their normal start time, or within the first hour of commencement of their shift, their inability to attend and, as far as possible, the nature of their illness or injury, and estimated duration of the absence.
- b) An employee may take up to 2 single sick days in any one anniversary year without a medical certificate. Subsequent claims for sick leave shall be substantiated by a medical certificate. Only 2 single sick days will be paid without production of a medical certificate. When a medical certificate is required the company will not pay for time lost prior to the issue date of the medical certificate.
- c) An employee shall be paid for each hour of sick leave at their base hourly rate.

20.1.8 If an employee is not entitled to sick leave, or there are no accrued sick leave entitlements, leave will not be paid. This includes the practice of using annual leave to cover absences due to illness.

20.1.9 Where an employee begins to develop a pattern of unverified absence, the counselling and disciplinary procedures shall be applied.

21 PERSONAL/CARER'S LEAVE

- 21.1.1 Permanent employees with responsibilities of a person set out in clause 21.1.3, and needs the employee's care and support, shall be entitled to use any current or accrued sick leave entitlement for absences to provide care and support for such persons when they are ill. Such leave may be taken as part of a single day.
- 21.1.2 The employee shall establish, by production of a medical certificate, the illness of the person concerned and that the illness is such as to require care by another person. An employee must not take carer's leave under this provision where another person has already taken leave to care for the same person.

- 21.1.3 The entitlement to use sick leave in accordance with this provision is subject to the employee being responsible for the care of the person concerned; and the person concerned being:
- a) a spouse or defacto partner (including same sex defacto partner) of the employee; or
 - b) a child or an adult child (including an adopted child, a stepchild, a foster child or an ex-nuptial child), parent (including a foster parent and legal guardian), grandparent, grandchild or sibling of the employee, their spouse or the defacto spouse of the employee; or
 - c) a relative of the employee who is a member of the same household.
- 21.1.4 An employee shall, wherever practicable, give the employer notice prior to the absence of the intention to take leave, the name of the person requiring care, the person's relationship to the employee, the reasons for taking such leave, and the estimated length of absence. If it is not practicable for the employee to give prior notice of absence, the employee shall notify the employer by telephone of such absence, prior to or within the first hour of commencement of their shift, on the day of absence.
- 21.1.5 An employee may elect, with the consent of the employer, to take unpaid leave for the purpose of providing care and support to a person who is ill, as set out in clause 21.1.3.
- 21.1.6 An employee may elect, with the consent of the employer and subject to the Annual Holidays Act 1944, to take annual leave not exceeding five days in single-day periods, or part thereof, in any calendar year for the purpose of providing care and support to a person who is ill, as set out in clause 21.1.3.

22 GRIEVANCE AND DISPUTE PROCEDURES

- 22.1.1 The objective of this procedure shall be to promote the resolution of disputes by measures based on consultation, co-operation and discussion; to reduce the level of industrial confrontation; and to avoid interruption to the normal operations, performance of work and consequential loss of production and wages. While this procedure is being followed, work shall continue normally.
- a) Any dispute arising out of employment shall be referred by the individual employee to their immediate supervisor or department manager/controller. The supervisor or manager will endeavour to investigate and satisfactorily resolve the issue within one (1) week of it being raised.

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- b) Failing settlement at this level, within one working day, the supervisor or manager shall refer the matter to their immediate manager. At this level the employee has the right to be represented by the union delegate or consult the Human Resources Department, if the person so wishes.
- c) If the matter remains unresolved or the employee is not satisfied with the outcome, a union organiser can be invited to discuss the matter with the company.
- d) If the matter remains unresolved the parties may seek the assistance of the NSW Industrial Relations Commission.

22.1.2 No party shall be prejudiced as to final settlement by the continuance of work in accordance with the dispute procedures. Provided that nothing in this clause shall be taken to limit the employer's right to dismiss any employee for misconduct, which justifies instant dismissal.

23 COUNSELLING AND DISCIPLINARY PROCEDURES

23.1.1 The objective of the warning process is to restore conduct and/or performance to an acceptable standard. The employee must understand the standard and be provided with a fair opportunity to reach this standard.

23.1.2 The following steps will be followed:

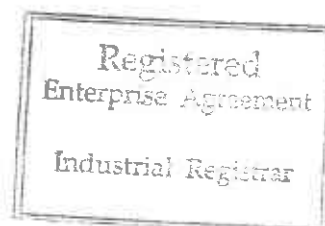
- informal discussion;
- verbal warning;
- first written warning;
- final written warning;
- interview to terminate.

23.1.3 Other than for summary dismissal, an employee should not be dismissed unless a verbal warning (if applicable), first written warning and/or final written warning have been previously issued.

23.1.4 When unsatisfactory conduct and/or performance has been identified, the warning process shall commence as soon as practicable.

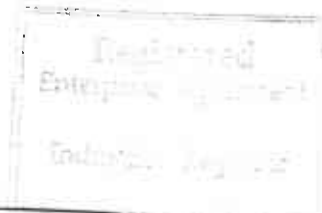
23.1.5 At the beginning of the discussion for a written warning or dismissal, the employee must be asked if they wish to have a witness present. If, at any other stage an employee requests a witness to be present this request must be agreed to. It is the employee's choice as to whom they choose as their witness. In cases of union members, the union delegate may be selected as the witness.

- 23.1.6 It is essential during the warning procedure that the performance or conduct issue is explained in specific and detailed terms so the employee understands the nature of the disciplinary counselling. The employee must also be asked for their reasons for their performance or conduct breach.
- 23.1.7 When a warning is necessary, a review date must be established which should be either 30, 60 or 90 days duration, dependent upon the individual circumstances. For example:- 30 days for repetitive absenteeism or lateness or for requirement to wear professional dress; 30 - 60 days for issues relating to unacceptable performance to provide an opportunity to improve performance or to complete specific actions. It is unlikely that a review should be scheduled to occur in less than 30 days.
- 23.1.8 After the discussion the review must take place on the agreed date. During the review period the manager must follow up on commitments to assist the employee to improve their behaviour or performance as detailed in the action plan.
- 23.1.9 Prior to the review meeting it may be necessary to conduct a further meeting. For example, if an employee has been given a verbal warning for harassment and a serious incident of harassment occurs before the agreed review date, then a final written warning or even termination may be necessary. Alternatively, it may be more appropriate to bring the original agreed review date forward.
- 23.1.10 Provided there are no lapses over the next 12 months the warnings are cancelled. This means any further unsatisfactory conduct and/or performance on the same issue must be treated as new, with the warning process commencing afresh.
- 23.1.11 If during the 12-month period the poor conduct and/or performance occurred again, the process should be resumed. It will depend on the circumstances of each case if the resumption is at the same step of the process or at the next step.
- 23.1.12 If the employee's performance has not reached the acceptable specified standard then the company will commence the process of a first written warning; a final written warning; and/or termination.
- 23.1.13 Each warning must relate to the same type of conduct and/or performance in order for that warning to be used as grounds for dismissal, eg. if a final warning has been given on poor attendance, this is not to be used as a ground for dismissal if the particular incident relates to poor performance.



23.2 Unacceptable Conduct and/or Performance

- 23.2.1 Unacceptable conduct relates to the employee's behaviour and attitude.
Unacceptable performance relates to how well employees perform their duties.
- 23.2.2 Failure to comply with Company policies and procedures may relate to either conduct and/or performance.
- 23.2.3 Before commencing the warning process the employee must be aware of and understand the required conduct, performance, and company policies and procedures. Please note the following list gives examples of what is considered grounds for verbal or written warnings, but is not an exhaustive list.
- a) Repetitive lateness and poor timekeeping;
 - b) Treating internal/external customers and fellow employees disrespectfully;
 - c) Not responding promptly and effectively to internal/external customer requests for assistance;
 - d) Not following appropriate instructions from their Manager or Supervisor;
 - e) Failing to work co-operatively with colleagues, Manager or Supervisor;
 - f) Using abusive language;
 - g) Failing to follow established Company policies, procedures and operating standards;
 - h) Smoking in designated non-smoking areas;
 - i) Dressing in a manner inappropriate to the Company's image;
 - j) Attending work in an unclean or unhygienic manner;
 - k) Patterns of absenteeism (eg. employees who regularly takes sick leave next to public holidays, rostered days off and weekends, with or without a Doctor's Certificate);
 - l) Excessive amount of leave taken (eg. employees who regularly use more than their entitlement of sick leave each year, with or without a Doctor's Certificate);
 - m) Refusing to use protective equipment, such as safety boots;
 - n) Putting at risk themselves, fellow employees or customers; by ignoring prescribed work practices;
 - o) Unwelcome comments or behaviour directed at a fellow employee, concerning race, sex, religion, age or disability;
 - p) Repetitive mistakes such as placing stock in incorrect locations; and incorrect handling of stock;
 - q) Following adequate training, working at a pace consistently below that of fellow employees who have similar levels of skill and experience;
 - r) Managing subordinate employees in an inappropriate manner.



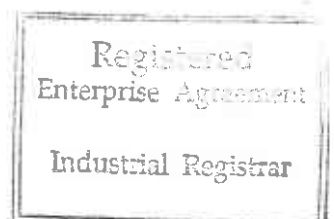
23.2.4 In cases of serious and wilful misconduct, summary dismissal (termination without notice) may be appropriate. Serious and wilful misconduct occurs when a serious breach of Company policy, procedure or other form of unacceptable conduct has been identified and confirmed. The following standards regarding serious or wilful misconduct are summarised below. Please note that the following list is not exhaustive.

- a) Unauthorised possession of Company property or documentation without reasonable explanation;
- b) Possession of, or trafficking in, illegal drugs on Company premises;
- c) Stealing from the Company, fellow employees or customers;
- d) Physically striking, making threats of violence, or use of severe abusive language to a Manager, Supervisor, fellow employee or customer;
- e) Deliberately misleading or defrauding the Company, fellow employees or customers;
- f) Reporting for work, or returning from breaks or Company appointments, under the influence of alcohol;
- g) Consuming alcohol or illegal drugs on Company premises, except where alcohol is specifically authorised for a social function;
- h) Consuming illegal drugs on Company premises;
- i) Possession of illegal weapons on Company premises;
- j) Deliberate damage of Company property or equipment;
- k) Abandonment of employment;
- l) Deliberately carrying out duties in a manner which may cause injury to the employee, fellow employees or customers;
- m) Severe cases of harassment or discrimination. For example, demanding sexual favours with implied threats about dismissal or demotion;
- n) Engaging in sexual activities on Company premises.

23.3 Verbal Warning

23.3.1 A verbal warning is the first formal step taken to improve a conduct and/or performance problem. To restate the expected level of conduct and/or performance, to agree on a course of action to restore conduct and/or performance to an acceptable standard, and to verbally warn employees of unacceptable conduct and/or performance.

23.3.2 The employee needs to be informed of the unacceptable conduct and/or performance, listing specific example(s), including time and place.



23.3.3 The manager must point out the consequences of future unacceptable conduct and/or performance, eg. this is a verbal warning and if the conduct does not improve by the agreed date, you will be given a written warning that will be recorded on your file.

23.3.4 The employee must also be informed that the interview will be recorded in their personnel file by way of a file note.

23.4 First Written Warning

23.4.1 A first written warning takes place where there is no improvement in the conduct and/or performance after a verbal warning.

23.4.2 If the problem is a serious issue, a first written warning may be given without a prior verbal warning.

23.4.3 The purpose of this is to restore conduct and/or performance to an acceptable standard and to provide a written warning to the employee that if the unacceptable conduct and/or performance continues it may lead to termination.

23.4.4 At the beginning of the discussion for a written warning or dismissal, the employee must be asked if they wish to have a witness present. If, at any other stage an employee requests a witness to be present this request must be agreed to. It is the employee's choice as to whom they choose as their witness. In cases of union members, the union delegate may be selected as the witness.

23.4.5 It is essential during the warning procedure that the performance or conduct issue is explained in specific and detailed terms so the employee understands the nature of the disciplinary counselling. The employee must also be asked for their reasons for their performance or conduct breach.

23.4.6 The employee will be told that if their unacceptable conduct and/or performance continues, it will lead to a Final Warning and eventual termination.

23.4.7 The manager and employee shall then complete an action plan to outline how the conduct and/or performance will improve. This will include setting a review date.

23.4.8 A copy of the written warning shall be given to the employee.

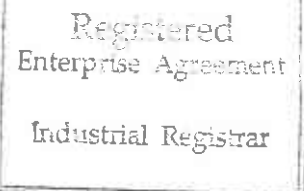


23.5 Final Written Warning

- 23.5.1 A final written warning occurs where there is no improvement in the employee's conduct and/or performance after a first written warning is issued. If there has been a serious breach of Company policy or procedure, which does not warrant instant dismissal, an employee may be given a final warning immediately.
- 23.5.2 The purpose of the final written warning is to restore conduct and/or performance to an acceptable standard and to provide a final written warning to the employee that continuation of unacceptable conduct and/or performance will result in termination.
- 23.5.3 The process is the same as for the First Written Warning, except in the interview the employee must be warned that a continuation of the unacceptable conduct and/or performance will lead to termination.

23.6 Termination

- 23.6.1 Termination usually takes place when an employee has been given a final written warning and has failed to meet specified Company standards within the stipulated time frames.
- 23.6.2 Alternatively, dismissal may take place when an employee commits a serious breach of Company policy or procedure and there are no mitigating circumstances. Refer to clause 23.7 - Managing Serious and Wilful Misconduct.
- 23.6.3 The process is the same as for the First Written Warning and Final Written Warning, except in the interview the employee's employment may be terminated.
- 23.6.4 The employee must be given the right to reply to the continued concerns relating to their conduct and/or performance. After considering the employee's response the manager will determine whether the termination will proceed or possible alternatives such as demotion will be considered. The manager may require 24 hours to consider the employee's response before making their decision.
- 23.6.5 If the employee's position is to be terminated the employee will be advised the reasons for the termination, and any outstanding payments that is due to them.



23.6.6 The employee will be provided with written confirmation of their dismissal and if requested, a Statement of Separation will be provided by the Human Resources Department.

23.6.7 If the employee needs to return to their work area to collect their belongings they will be accompanied by a Manager.

23.7 Managing Serious and Wilful Misconduct

23.7.1 Where the manager believes that an employee may need to be dismissed for serious or wilful misconduct, the employee must wait in an area away from their normal work area or sent home on full pay while an investigation is undertaken.

23.7.2 Once notified of a potentially serious breach of Company policy, a formal investigation must be carried out. The comments of witnesses, facts and conclusions of the investigation should be identified and recorded in writing, where appropriate.

23.7.3 Once all the facts have been examined a meeting will be conducted with the employee.

23.7.4 At the beginning of the meeting with the employee, the employee must be asked if they require a witness to be present.

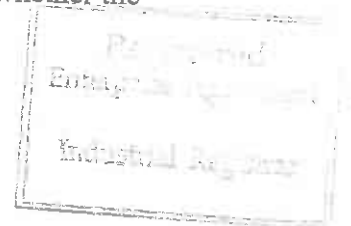
23.7.5 The process is the same as that of a First Written Warning and for Final Written Warning.

23.7.6 During the meeting the employee will be advised that the interview concerns a serious matter which may result in termination.

23.7.7 The reasons for the proposed termination will be explained to the employee in full detail, including relevant dates and times. Explain to the employee the breach of Company policy and wilful misconduct that has taken place.

23.7.8 Depending on the circumstances, the police may be contacted (e.g. if a criminal offence may have been committed, such as theft or physical assault).

23.7.9 During the meeting the employee must be given the right to reply. After considering the employee's response the manager will determine whether the termination will proceed.



- 23.7.10 The manager may require 24 hours to consider the employee's response before making their decision and in such case the employee will be sent home on full pay.
- 23.7.11 If the employee's position is to be terminated the employee will be advised the reasons for the termination, and any outstanding payments that will be forwarded to the employee. No notice is paid out if the employee is summarily terminated. The employee is only paid up to the time of their termination. Employees summarily terminated may not be entitled to payment for any pro-rata long service leave, subject to relevant State and Territory Long Service Leave provisions.
- 23.7.12 The employee will be provided with written confirmation of their dismissal and if requested, a Statement of Separation will be provided by the Human Resources Department.
- 23.7.13 If the employee needs to return to their work area to collect their belongings they will be accompanied by a Manager.

24 ANTI DISCRIMINATION AND HARRASSMENT

- 24.1.1 It is the intention of the parties bound by this agreement to seek to achieve the object in section 3(f) of the Industrial Relations Act 1996 and 3(j) of the Workplace Relations Act 1996 to prevent and eliminate discrimination in the workplace. This includes discrimination on the grounds of race, sex, marital status, disability, homosexuality, union membership, transgender identity, and age.
- 24.1.2 It follows that in fulfilling their obligations under the dispute resolution procedure prescribed by this agreement the parties have obligations to take all reasonable steps to ensure that the operation of the provisions of this agreement are not directly or indirectly discriminatory in their effects.
- 24.1.3 Under the Anti Discrimination Act 1977 it is unlawful to victimise an employee because the employee has made, may make or has been involved in a complaint of unlawful discrimination or harassment.

24.1.4 The company will not actively promote or discourage union membership however delegates are permitted to approach new employees with the offer to join the union. It is understood that delegates will not harass or intimidate employees into joining the union but may approach new employees with an offer to join the union, and the related costs and benefits of membership. The delegates may also approach existing non-union employees the following year if they have previously declined joining, being mindful that frequent approaches is also deemed a form of harassment. Not only shall delegates refrain from unduly pressuring employees into joining the union, but they must also accept the members the right to resign their membership at any given time.

24.1.5 Any behaviour, which is identified as a breach of this clause, will lead to counselling and disciplinary action.

25 PERFORMANCE MANAGEMENT SYSTEM

25.1.1 The company is committed to the implementation of a company wide Performance Management System including the participation of all employees and staff of the company.

25.1.2 This system's key features are:

- a) Individual objectives and goals
- b) Measures of performance and competency
- c) Training and development
- d) Career goals and objectives

25.1.3 To assist employees understand the nature and intent of the Performance Management System, training will be provided to all employees.

26 HEALTH AND SAFETY

26.1.1 All Managers and employees are responsible for providing and maintaining a safe place of work, safe working methods, safe equipment, and participating in training in Occupational Health and Safety matters.

26.1.2 Employees are required to perform his/her duties in a safe manner in accordance with relevant legislation. It is important that the employee give primary concern to their own safety and the safety of others; eg. check that equipment is set up to suit both ergonomic requirements and individuals needs, use correct lifting techniques, not leave items in walk areas, etc.

26.1.3 Each employee has an obligation to ensure their fellow employees work in a safe environment, with well-maintained property and equipment. It is each employee's responsibility to report potentially hazardous or dangerous situations in the workplace to their relevant department manager/controller.

26.1.4 The Company provides a smoke-free work environment for its employees.

27 UNIFORM ALLOCATION

27.1.1 The company shall provide each permanent employee covered by this agreement with both a summer and winter uniform at the appropriate time each year, which employees must wear during their employment. This allocation shall include:

Summer allocation: 2 shirts, 2 shorts

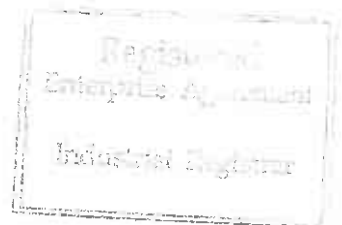
Winter allocation: 2 shirts, 2 pants, 1 jumper or jacket

27.1.2 The company will also provide safety steel capped boots to be replaced on a new for old basis after normal wear and tear, and after a minimum 12 month period from date of issue.

27.1.3 Laundering will be the responsibility of the employee and all employees are expected to keep their uniforms clean and tidy.

27.1.4 The company, as of the date of submission of the agreement to the Industrial Relations Commission, will no longer provide a uniform allowance to employees covered by this agreement.

27.1.5 Upon termination of employment the employee shall return the last 12 months allocation of uniforms and safety boots.



28 RIGHT OF ENTRY OF UNION OFFICIALS

- 28.1.1 An authorised official of the Union will be provided with reasonable access to the company location.
- 28.1.2 The purpose of such access shall include:
- a) Speaking to or interviewing employees
 - b) Speaking to management
 - c) Ensuring the observance of the Agreement
- 28.1.3 Upon entering the premises the authorised union official shall sign the visitor book at reception and wear the issued visitors badge whilst on the premises. The authorised union official will also inform the relevant manager of his/her presence and shall not unduly interfere with the work and operations of the establishment, and wherever possible interview employees prior to or after work hours or during breaks.
- 28.1.4 The authorised union official shall if requested, produce his/her authority to the relevant manager.
- 28.1.5 The authorised union official shall not enter areas restricted to the public without requesting authorisation from the relevant manager. Such authorisation will not be unreasonably denied.
- 28.1.6 The authorised union official will prior to departure from the premises notify the relevant manager of any concerns or issues with the intent of seeking a satisfactory solution including utilisation of the specified grievance procedure wherever appropriate.

29 UNION MEETINGS

- 29.1.1 The company shall provide the union with two (2) paid meetings of thirty (30) minutes or one (1) paid meeting of sixty (60) minutes ordinary time duration each calendar year.

29.1.2 Paid time to conduct such meetings shall be non-cumulative. The relevant department manager/controller must be consulted, and agreement reached, a minimum of two (2) working days prior to the meeting to ensure minimal disruption to the operation. The relevant department manager/controller will not unreasonably deny approval to conduct the meeting.

29.1.3 If meetings exceed the conditions outlined in clause 29.1.2, and any time beyond the time allowed in clause 29.1.1, then such time will be unpaid.

30 DELEGATE MEETINGS

30.1.1 The company shall provide authorised union delegates with a total of six (6) paid days in each calendar year for the purpose of attending N.U.W. delegate meetings.

30.1.2 Time off to attend such meetings shall be non-cumulative.

30.1.3 Applications to attend N.U.W. delegate meetings must be made a minimum of five (5) days prior to the proposed meeting date so that agreement can be reached to ensure minimal disruption to the operation. To apply for leave delegates shall use the N.U.W. Delegate Release Form, and attach a copy of the official union meeting notice. The relevant department manager/controller will not unreasonably deny approval to attend the meeting.

Registered
Enterprise Agreement
Industrial Registrar

DERRICK BELAN, State Secretary

Signed for and on behalf of the National Union
Workers, NSW Branch



Signature

DATED THIS 19TH DAY OF FEBRUARY 2003

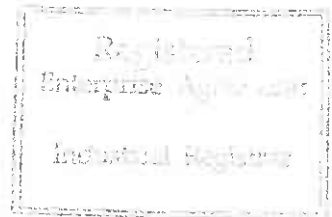
JOHN MAY, Operations Manager

Signed for and on behalf of Hagemeyer
Brands Australia, Kingsgrove



Signature

DATED THIS 7TH DAY OF FEBRUARY 2003



SCHEDULE A – WEEKLY RATES OF PAY

Classification	Current Rate (pre 1.2.03)	Effective 1.2.2003	Effective 1.2.2004	Effective 1.8.2004
Team Member in Training	\$579.98	\$597.38	\$615.30	\$630.68
Team Member – Level A	\$640.19	\$659.40	\$679.18	\$696.16
Team Member – Level B	\$666.65	\$686.65	\$707.25	\$724.93
Team Leader	\$723.74	\$745.45	\$767.81	\$787.00

Registered
Enterprise Agreement
Industrial Registrar

SCHEDULE B – ANNUAL RATES OF PAY

Classification	Current Rate (pre 1.2.03)	Effective 1.2.2003	Effective 1.2.2004	Effective 1.8.2004
Team Member in Training	\$30,159	\$31,064	\$31,996	\$32,796
Team Member – Level A	\$33,290	\$34,289	\$35,318	\$36,201
Team Member – Level B	\$34,666	\$35,706	\$36,777	\$37,696
Team Leader	\$37,634	\$38,763	\$39,926	\$40,924



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