

**REGISTER OF
ENTERPRISE AGREEMENTS**

ENTERPRISE AGREEMENT NO: EA99/259

**TITLE: GMS Fulfilment Services Limited Gallagher Infomanagement
Group North Ryde Distribution & Warehousing Enterprise Agreement
1999-2000**

I.R.C. NO: 99/5154

DATE APPROVED/COMMENCEMENT: 11 October 1999 and commenced 1 September
1999

TERM: Expires 1 September 2000

**NEW AGREEMENT OR
VARIATION:** New

GAZETTAL REFERENCE:

DATE TERMINATED:

NUMBER OF PAGES: 16

COVERAGE/DESCRIPTION OF

EMPLOYEES: Applies to all warehouse employees of the company located at 3 Talavera
Road, North Ryde

PARTIES: GMS Fulfilment Services Limited -&- National Union of Workers, New South Wales
Branch

GIMG

GMS Fulfilment Services Limited

NORTH RYDE

**DISTRIBUTION
&
WAREHOUSING**

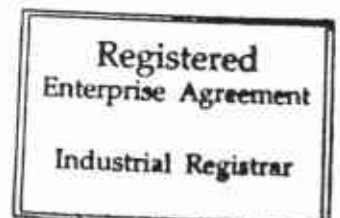
ENTERPRISE AGREEMENT

1999 - 2000

**Registered
Enterprise Agreement
Industrial Registrar**

GMS FULFILMENT SERVICES LIMITED
Gallagher InfoManagement Group
NORTH RYDE - DISTRIBUTION & WAREHOUSING
“ENTERPRISE AGREEMENT”
1999 - 2000

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1. Title

This Agreement shall be known as the "ENTERPRISE AGREEMENT".

2. Parties and Person Bound

This Agreement shall be binding upon.

2.1 GMS Fulfilment Services Limited (ARBN 051 875 677) trading as Gallagher InfoManagement Group (hereinafter known as the "Company") in respect to its Distribution and Warehouse employees at 3 Talavera Road NORTH RYDE 2113 NSW. In the event of re-location of the business, the agreement shall continue to apply.

2.2 The National Union of Workers, New South Wales Branch.

3. Objectives

The objectives of this Agreement are to:

3.1 Increase the efficiency and performance of the company by the effective utilisation of the skill and commitment of the Company's Employees.

3.2 Improve the living standards, job satisfaction and continuity of the Company's employees by improving upon existing award and industry standard.

3.3 Create a co-operative and productive industrial relations environment.

3.4 Provide workers with more varied, fulfilling and better paid jobs.

3.5 Promote the continued acquisition of skills by workers.

3.6 Maintain a safe and quality conscious working environment, and

3.7 Establish effective communications between the Company and its workers to ensure that the workforce are kept fully informed and have an input into decision making that effects the work environment and the future employment of workers with the Company.



4. Commitments

4.1 General

In order that the objectives of this Agreement are achieved the parties are committed to ensuring that:

- 4.1.1 The measures contained in this Agreement lead to real gains in productivity and efficiency.
- 4.1.2 A broad approach to productivity is adopted incorporating (but not being limited to) both management and labour efficiency, quality, equipment, work methods, training, adequate standards of occupational health and safety, working conditions, environmental concerns, quality of working life issues and equity issues.
- 4.1.3 The measures provided for in this Agreement will be implemented through consultative mechanisms agreed to between, the Company and the Consultative Committee.
- 4.1.4 Productivity and efficiency measures will not be implemented at the expense of health and safety standards, and safety standards will be improved.
- 4.1.5 A free flow of information occurs between the company and employees concerning all aspects of the work environment.

4.2 Improvement Program

The parties to this Agreement will work together to investigate and analyse the relevant issues, recommend solutions and implement and maintain the processes, equipment, methods and materials to improve Distribution & Warehouse performance. To achieve this:-

- 4.2.1 Training in the techniques and tools of TQM will be undertaken to provide the basis for a structured approach to improvement and change.
- 4.2.2 The improvement program and subsequent projects form the basis of productivity improvements that will provide the benefits that will be distributed as wage increases and increased profitability.
- 4.2.3 Benefits from this program are paid for the achievement and maintenance of certain goals. These goals include:
1. Improved standard times in minutes (on average)
 - Video pick and pack
 - Time Life pick and pack
 2. Turnaround of < 24 hours.



3. Satisfactory Warehouse performance in terms of Inventory Accuracy, On time Delivery, Service levels , Customer KPI's etc,

4.2.4 Goals may be added, amended or removed by agreement during the life of this Agreement. Appendix 1 - shows the relationship between wages and goal achievements.

4.2.5 A measurement system to monitor progress toward, and maintenance of performance in achieving goals will be developed, agreed and implemented.

4.3 Training

4.3.1 Concurrent with the improvement program this agreement provides for the establishment of a training program to introduce and review the skills and knowledge necessary to perform assigned tasks.

Central to the training program will be the establishment of the requirements for employees to achieve Entry, Level 1, Level 2 and Team Leader skill levels.

4.3.2 Entry level skills will prescribe the minimum requirements and necessary training and knowledge to perform assigned tasks.

Level 1 Skills levels will prescribe the knowledge, training and performance to satisfactorily carry out assigned tasks, without supervision.

Level 2 skill levels will prescribe the knowledge, training and performance to satisfactorily carry out assigned tasks and additionally tasks requiring advanced skills, without supervision.

Team Leader skills are those that are used in the planning, conduct and reporting for a identifiable team based work and will recognise the additional skills that may be relevant in addressing technical, problem solving , supervisory and systems tasks.

Advanced skills will be recognised when the Company agrees that the performance or acquisition of such skills are relevant to and used in the workplace.

4.3.3 The parties to this agreement will establish and agree the requirements of the skill levels prior to the harmonisation of wage rates.

5. **Period of Operation**

5.1 This Agreement shall operate from 1st September, 1999 and will remain in force until 1st September 2000.

5.2 This Agreement shall be Certified in the Industrial Relations Commission of New South Wales.

Registered
Enterprise Agreement

Industrial Registrar

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6. Relationship to Parent Award

6.1 This Agreement shall read in conjunction with the Storeman & Packers General (State) Award as amended. In the event that there is any inconsistency between the Award and this Agreement, the terms of this Agreement shall prevail.

7. Increases to Wages

In recognition of the productivity and efficiency measures identified herein, the following increases shall apply for employees covered by this agreement from the first full pay period on or after 1st September 1999. Subsequent adjustments shall apply when performance goals are achieved, measured and verified.

7.1 Wage rates and adjustments (See Appendix 1)

8. Avoidance of Disputes

8.1 In the event of an employee having grievance, the employee in the first instance must take the matter up with their supervisor providing the supervisor with the opportunity to remedy the grievance.

8.2 If the matter remains unresolved, it shall be referred to the Union delegate who shall consult the appropriate representative of the management.

8.3 If the matter remains unresolved, it shall be referred to the secretary of the Union (or his/her representative). This official shall discuss it with a senior representative of the Company.

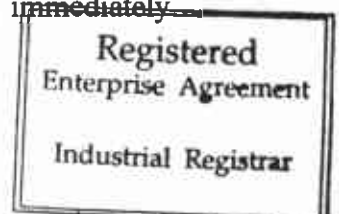
8.4 If the matter remains unresolved, it shall be submitted to the NSW Industrial Commission for resolution.

8.5 While the above procedures are being followed work shall continue normally in accordance with this Agreement.

8.6 No party shall be prejudiced as to final settlement by the continuance of work in accordance with this Agreement.

8.7 The parties shall at all times, confer in good faith and without undue delay.

8.8 During the discussions, "the status quo" shall remain and work shall proceed without stoppage or the imposition of any ban, limitation or restriction. "Status quo" shall mean the situation existing ~~immediately~~ prior to the dispute or the matter giving rise to the dispute.



9. Consultative Mechanisms

- 9.1 The parties agree that a precondition for the effective operation of this agreement is the establishment of an agreed consultative mechanism within the Company. The consultative mechanism shall be established in accordance with the guidelines set out in Appendix 2 hereto.
- 9.2 Employee representatives shall participate in the consultative mechanisms established within the Company.
- 9.3 The General Manager of the Company and another Company management representative shall have a standing invitation to participate in the consultative mechanism established within the Company.
- 9.4 To assist employees to participate effectively within the consultative mechanism, training as agreed between the Company and the employees will be provided as soon as practicable after the consultative mechanisms are established.

10. Hours of Work

In recognition of the need to gain greater productivity and efficiencies in respect of working hours the parties agree to the following measures, aimed at providing increased flexibility for both the Company and the employees as to the arrangement of hours of work.

- 10.1 The ordinary hours of work prescribed for day workers shall be worked, except for meal breaks, between 6.30 am and 5.30 pm Monday to Friday. Provided that the span of hours may be altered by mutual agreement between the Company and the employee concerned.
- 10.2 General conditions (See Appendix 2)



11. Occupational Health and Safety

The provision of the relevant Acts shall apply. No worker shall be required to carry out work that is not safe or work in an unsafe environment. The resultant changes to the Company's operations will be jointly monitored and evaluated.

12. No Further Claims

The parties agree not to pursue any further claims during the life of this agreement except where consistent with State Wage case decision.

13. Renegotiation

The parties should commence no later than three (3) months prior to the completion date of this agreement with the intention of reaching a subsequent agreement.

14. Warning Procedure for Employee Performance and Conduct

14.1 Whilst the emphasis of this Agreement is on improved performance by the Company and employees there will, from time to time, arise situations where an employee's performance is below accepted standards. This procedure outlines how this performance can be rectified.

14.1.1 The counselling process is a means of advising an employee of a perceived deficiency in behaviour or attitude affecting work performance and attempts to identify means of correcting the problem. The disciplinary process set out below is intended to provide an example of existing procedures and is by no means definitive, but sets out a system of warnings.

14.1.2 The existence of a Company disciplinary procedure or a general adherence to those procedures does not impinge on the Company's right to summarily dismiss an employee in certain circumstances.

14.1.3 As a general rule, any discussions between an employee and management representative of the Company in regards to work performance should be formalised in writing, particularly when a warning is given to the employee.



14.2 Counselling

- 14.2.1 In the first instance, when the Company's supervisor/manager perceives a problem with work performance, the supervisor/manager may counsel the employee, ensuring that the employee is aware of the conduct or behaviour required and also aware of the consequences should the incorrect behaviour continue.
- 14.2.2 The Company's supervisor/manager should make a written report of the counselling, either for his/her own records or for inclusion onto the employee's file.
- 14.2.3 The Company's supervisor/manager should assist, where possible, in identifying means for improvement and should monitor the improvements over a period not exceeding one month.

14.3 Discipline

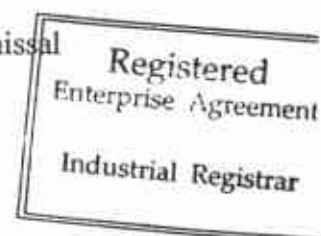
14.3.1 Verbal Warning

Should the problem or performance continue after counselling, the Company's supervisor/manager should again approach the employee, this time more formally. The employee should be informed by the supervisor/manager that improvement is required and if the improvement is not forthcoming the employee is warned that they could be dismissed. The fact that a verbal warning has been issued should be recorded in the employee's file, or noted, and performance monitored.

14.3.2 Written Warning

In the event the employee's behaviour does not improve after the verbal warning, the Company's supervisor/manager should issue a written warning, detailing the problem and the required improvement, stating what previous steps had been taken. The written warning should be signed by those present, with a copy to each of the employee, the supervisor/manager and the employee's file.

Should the employee's behaviour not improve, dismissal proceedings may be implemented.



During any of the above steps an employee may elect to have a Union delegate or other representative present. At all stages throughout the above procedure, employees should sign an acknowledgement of written reports and be provided with a copy.

15. Motor Vehicle Policy

Each Employee with a company motor vehicle or who may have access to a company motor vehicle is required to comply with the Company motor vehicle policy.

16. Company Policies, Procedures and Guidelines

Each Employee will abide by the Company policies, procedures and guidelines as detailed in the employment contract. These may be subject to change from time to time and will be communicated to all Employees.

17. Superannuation

17.1 Definitions

17.1.1 "Approved Funds" shall mean LUCRF/CBA SuperOptions/CBA Retirement Savings Account.

17.1.2 "Eligible employee" shall mean a weekly or casual employee who is employed to work to the terms of this agreement and who has been employed for four calendar weeks. In the case of a casual employee ordinary hours of service need not be continuous. All hours of service accumulated by a casual employee shall be included in the calculation of ordinary hours of service towards the attainment of the qualifying period.

17.1.3 "Ordinary Time Earnings" shall mean:

- (a) In the case of a weekly employee, his/her classification's weekly rate of pay for ordinary hours of labour; or
- (b) In the case of a casual employee, earnings for his/her classification during ordinary working hours (including 15% casual loading);
- (c) A classification's rate shall include the rate per week and allowances related to work and conditions



17.2 Contributions

- 17.2.1 The Company shall pay to the trustee of the approved fund, in respect of each eligible employee, an amount equal to 7% (increased in accordance with legislation) of the employee's ordinary time earnings.
- 17.2.2 When an employee becomes an eligible employee by having completed the required qualifying period of employment, the Company shall pay contributions for the qualifying period.
- 17.2.3 Provided that when an eligible employee has not joined a fund and refuses in writing to so join, the Company shall direct the qualifying period contributions to SHAR (Superannuation Holding Account Reserve).
- 17.2.4 The Company may make a pro-rata deduction for the weekly contribution for each hour that an employee is absent from work without pay.
- 17.2.5 The Company shall remit to the trustee of the approved fund, all payments due in respect of eligible employees, immediately at the conclusion of each calendar month or at such other times and in such other manner as may be agreed in writing between the Company and the trustee.



APPENDIX 1

% INCREASE	4%	1%	1%									
<p>Goals or action required</p> <div data-bbox="944 1845 1273 2069" style="border: 1px solid black; padding: 5px; margin: 10px auto; width: fit-content;"> <p style="text-align: center;">Registered Enterprise Agreement Industrial Registrar</p> </div>	<p>1 September 1999 And establishment of measuring system and achievement of the following:</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 30%;">1.</td> <td style="width: 30%;">Video</td> <td style="width: 30%;">Time Life</td> </tr> <tr> <td></td> <td>Pick & pack</td> <td>1.0</td> </tr> <tr> <td></td> <td>Base time per Item</td> <td>1.0</td> </tr> </table> <p>2. Turnaround < 2 days 3. Inventory accuracy established at 95%</p>	1.	Video	Time Life		Pick & pack	1.0		Base time per Item	1.0	<p>Establishment of standard times for pick and pack operations</p> <p style="text-align: center;">6 months</p> <p>1. 10% reduction (0.9) 2. Turnaround < 24 hours 3. On time delivery established at 98%</p>	<p>Achievement of the following times for pick and pack operations</p> <p style="text-align: center;">9 months</p> <p>1. Further 10% reduction (0.8) 2. Integrated warehouse inventory control.</p>
1.	Video	Time Life										
	Pick & pack	1.0										
	Base time per Item	1.0										

CONSULTATIVE MECHANISM GUIDELINES

1. The parties are committed to ensuring that the intentions of this Work Place Agreement are realised. It is accepted that improved communications at the Workplace can make significant contributions to these objectives.
2. It is agreed by the parties that a precondition for the effective operation of this Enterprise Agreement is the establishment of agreed consultative mechanisms within the company.
3.
 - a) A consultative committee may be established where more than 15 Employees are employed by the Company and the Company and employees have consented to its establishment.
 - b) Where no consultative committee is established in accordance with 3(a) appropriate consultative mechanisms are to be established by agreement of the parties.
4. Where a consultative committee is established in accordance with this clause, the role of the consultative committee will be:
 - a) to monitor the implementation and on-going operation of this Work Place Agreement.
 - b) to develop and monitor the key productivity improvements provided for in this Work Place Agreement and to measure the effectiveness of those initiatives and to monitor the implementation of the training measures provided in this Work Place Agreement the purpose of which will be to advance the concept of continuous workplace training and skills enhancement.
5. Where a consultative committee is established it shall consist of equal numbers of employer and employee representatives, however, the employer may opt to appoint a lesser number of Company representatives. The employees of the Company shall elect their representatives to the consultative committee at a meeting convened by the Company. The Committee shall meet as required but not less than a bi-monthly basis with additional meetings being convened at the request of either of the parties. A quorum for a meeting shall be half plus one members, at least half of whom must be employee representatives. The agenda and any relevant information relating to agenda items shall be provided to members of the committee at least two (2) days prior to the committee meeting. The committee shall reach decisions by consensus.
6. Employee representatives on the Committee shall have adequate time and access to their membership during working hours to prepare for committee meetings and to report back from meetings.
7. The Committee may at its discretion all on other persons or experts to attend the committee and to advise it on specific matters of concern to the committee.

APPENDIX 3**CONDUCT AND CONFIDENTIALITY POLICY**

It is the policy of this company that other than in the proper course of their duties employees will:

- (a) not divulge to any person whatsoever any information concerning the affairs of the Company which is not in the public domain.
- (b) use their best endeavours to prevent the publication or disclosure of any information relating to the affairs of the Company, as described in (a) above.
- (c) not be involved in any misconduct or neglect to give their attention to the conduct of the business of the Company during ordinary business hours.
- (d) be aware that annual leave is required to be approved before it is taken and that annual leave is not automatically a substitute for other forms of leave once these have been exhausted.
- (e) not steal or wilfully damage the property of the Company.
- (f) not have any absence without leave except in the case of illness or accident.
- (g) not disobey or neglect any lawful orders or directions of the Company.
- (h) not be under the influence of alcohol. The consumption of alcohol, without prior management approval, on Company premises is prohibited.
- (i) not use or be under the influence of any illegal substances.
- (j) not directly or indirectly carry on or have an interest in any other business of the nature of the business of the Company or any significant component of it without the written permission of the Company. Such permission will not be unreasonably withheld.

I understand and agree that any breach of the above policy may then lead to an immediate termination of employment without any notice or payment in lieu of notice.



APPENDIX 4**GENERAL CONDITIONS**

Tea Money	\$8.00
Hours of work	7am to 3.30pm Monday – Friday 38 hours with 1 RDO per 4 week period (12 RDOs per year)
Overtime	As required to satisfy business demand
Morning tea break	20 minutes (paid)
Afternoon tea break	Nil
Lunch break	½ hour Monday to Friday

SIGNATORY PAGE

For and on behalf of
GMS FULFILMENT SERVICES LIMITED

Signature: [Handwritten Signature] Date: 6.9.99

Position: Chief Operating Officer

Name: L. WALKER
(print)

For and on behalf of
NATIONAL UNION OF WORKERS, NEW SOUTH WALES BRANCH

Signature: [Handwritten Signature] Date: 9.9.99
Secretary

Name: FRANK BELAN
(Print)

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