

ENTERPRISE AGREEMENT

NO: E.A. 261 /1996

DATE REGISTERED: 13-9-96

PRICE: \$ 34-00

P&O Cold Storage Limited (NSW) Clerical Enterprise Agreement 1995

1. This Agreement shall be titled the P & O Cold Storage Limited
(NSW) Clerical Enterprise Agreement 1995

ARRANGEMENT

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2 SCOPE AND APPLICATION OF AGREEMENT

This Agreement shall apply to P&O Cold Storage Limited (the Company)
and its clerical employees in warehouse operations at the sites
at 69 Mandoon Road Girraween NSW and
21 Holbeche Road Arndell Park NSW.

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3. PARTIES BOUND

This Agreement shall apply to employees of this Company who are clerical employees at the sites in paragraph 2. Where this Agreement is silent the provisions of the New South Wales Clerks (State) Award shall apply.

Definition.

Employees are weekly clerical employees of this Company including part-time and P&O casual employees in NSW.

4 PERIOD OF OPERATION

This Agreement shall apply from the date of registration and shall remain in force until 20 December 1997.

This agreement shall be reviewed no earlier than 3 months prior to the expiration date .

5 OPERATIONAL EFFICIENCY COMMITMENT.

1. The parties shall endeavour to ensure that as part of a service industry the operations of the Company shall operate as flexible as possible in order to meet customer demand

2. Employees within each level and within their skills and capabilities are to perform a wider range of duties including work which is incidental or peripheral to their main tasks or functions.

3. Subject to the agreement of the Company and the employees concerned , employees are to undertake training for a wider range of duties as may be required by the Company

4 The parties will not create barriers to advancement of employees within the structure of this agreement or through access to training

5. Increased work loads and flexibility requirements can be accommodated

6 Clerical tasks currently being performed by AMIEU members will continue

7 ADDITIONAL TASKS MAY BE ALLOCATED TO A.M.I.E.U. MEMBERS PROVIDED THAT IT DOES NOT LEAD TO A DECREASE IN CLERICAL STAFF NUMBERS .

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6 OBJECTIVES

P&O Cold Storage Limited (P&O C.S.) offers a value added range of cold storage services. P&O C. S. has as its aim to be the market leader by offering the highest value of service to its customers.

The people P&O C.S. employ will be result oriented, flexible, willing to learn and self confident. They will have strong interpersonal and customer skills.

P&O C.S. will provide its employees with the training they need to be competent in their role and development in order to undertake future roles.

To serve P&O C.S.s customers our employees will operate as part of a team, supporting each other and working in a number of areas. P&O C.S.' s people will be multi-skilled.

To foster a team culture P&O C .S. shall endeavour to organise in such a way to offer permanent employment rather than casual employment where practical.

To foster and promote harmonious industrial relations P&O .C.S and the clerical employees acknowledge and agree that the intent of this agreement is to contribute to the achievement of all the above objectives that will contribute to the interests of employees and to the continued growth of P & O C.S.

7. WAGES

In consideration of acceptance of this Agreement the Company offers the following wage classification and rates per week for all purposes to all clerical employees , and who recognise that this offer is applicable only to them and not to any other groups of employees

Classifications

Level One - Applies to Trainees and / or those employees with less than three (3) month's service

Rate -\$412.50

Level two - Applies to employees whose main function is data entry and / or those employees with greater than three (3) month's service but less than twelve (12) month's service.

Rate \$450.00

Level three - Applies to employees whose main functions encompass level two (2) duties with customer service responsibilities and limited supervision and decision making as delegated by management .

Rate \$ 487. 50

On this occasion only, service as a P&O casual employee will be included with Company service to establish classification levels.

Level four - Applies to full -time weekly employees who can perform all the duties at the other levels and who assume additional responsibilities , such as exercising substantial initiative and judgement , performing multiple roles and utilising knowledge of Company business and procedures in multiple warehouses.

Rate \$525.00

This classification does not apply to casual employees.

The "morning shift allowance" currently payable to certain employees shall discontinue under the above classification structure.

8 FLEXIBILITY

The parties agree that during the life of this Agreement that improvements in productivity, efficiency, and flexibility, based on the objectives expressed herein will be sought by all parties.

9 INCENTIVE SCHEME

The Clerical employees shall share in the incentive scheme proposed to be introduced into individual warehouse operations.

Refer to Attachment 'A' for explanation of this scheme

From the date of operation of this Agreement, productivity gains for each warehouse determined by reference to the "Warehouse Labour Projection Model " will be shared 1/3rd each between employees, the client (s) and the Company up to the Company's benchmark level (100%).

Gains in excess of benchmark (100%) will be shared 50-50 between employees and the Company.

10. ORDINARY HOURS OF WORK

a. Spread of hours

The ordinary hours of work shall be 38 hours per week between 6 am and 7 pm daily Monday to Sunday, which shall be worked in no more than 5 days per week. The 12 hour span shall be from 6 a.m. to 6 p.m., or from 7 am to

7 p.m. during the week Monday to Sunday

However, at peak periods such as Christmas and Easter individual warehouse operations may be rostered to start ordinary hours of work from 5 a.m. with consultation and 7 days notice. The peak period of Christmas is defined as the four weeks prior to and four weeks after Christmas, and the peak period of Easter is defined as the two weeks before and two weeks after Easter.

Ordinary hours shall be worked in blocks of not less than 4 consecutive hours and not more than 12 consecutive hours.

Variations to hours.

Employees will have the opportunity to volunteer for any variation to this spread of hours subject to the needs of the operation and with warehouse Managers' and State Management agreement / approval.

b. Weekly Employees

(i). Existing employees

After consultation and by mutual agreement existing employees may volunteer to work the following roster arrangements to suit the warehouse operations. Any new employees from the date of the agreement shall be employed strictly in accordance with warehouse operational requirements .

- any four days in five as ordinary hours i.e. a 10.45 hour day (with RDO), providing this suits the particular operations of the warehouse as determined by Warehouse Management and approved by State Management .

- any four days in seven as ordinary hours i.e. a 10.45 hour day (with RDO) providing this suits the particular needs of the warehouse as determined by Warehouse Management and approved by State Management .

-any five days in seven as ordinary hours i.e. an 8 hour day (including RDO accrual), providing this suits the particular needs of the warehouse as determined by Warehouse Management and approved by State Management.-
5 days Monday to Friday i.e. 8 hour day (including RDO accrual).

All rostered weekly employees shall be granted two consecutive days off in each week of seven days.

(ii). New employees

New weekly employees by agreement shall be appointed in accordance with individually agreed roster arrangements within the terms of the spread of hours above, or as otherwise agreed and as provided for herein.

Such arrangements may allow for roster changes from time to time to suit the changing needs of the business after due consultation and 7 days notice except in emergencies.

ii). Payment of ordinary hours

Ordinary hours worked Monday to Friday shall be paid at the appropriate classification rate of pay. Ordinary hours worked on a Saturday shall be paid at the appropriate classification rate plus 50 %. Ordinary hours worked on a Sunday shall be paid at appropriate classification rate plus 75 %.

b. Casual Employees

Review of casuals

The Company undertakes to review with the clerical delegates within 3 months the clerical requirements to suit the individual warehouse operations.

(i). Existing casual employees will be given preference for any additional full time appointments recommended .However final selection will be based on the following .

1. merit
- 2.meeting the Company's normal employment criteria, including reference checking and employment medical check
4. Company will nominate work location

(2) Casual employees' hours of work

Casual employees shall be entitled to a minimum payment of four hours pay for each start at the appropriate classification rate.

Casuals employees shall be individually employed to work the rostered hours required to suit the needs of each individual warehouse within the terms of the spread of hours set out in Clause 10.

For ordinary hours Monday to Friday casual employees shall be paid at the appropriate classification rate plus casual loading of 20% and 1/12 annual leave allowance. Ordinary hours Saturday shall be paid at appropriate classification rate plus 50 % and 1/12 annual leave allowance. Ordinary hours on a Sunday shall be paid at the appropriate classification rate plus 75 % and 1/12 annual leave allowance.

Such rates include allowance for annual leave, annual leave loading, sick days, public holidays, bereavement leave.

11. SHIFT WORK

Shift work can be worked in not less than 4 hours and not more than 12 consecutive hours. All shift provisions of the NSW Clerks (State) Award shall apply, except there shall be no early morning shift payment .Refer to Clause 7.

12. OVERTIME

a. Weekly and Casual employees

For each employee overtime shall be paid for any hours worked outside of the span of hours above or as otherwise agreed and as provided for herein

For weekly employees overtime shall be paid for hours worked additional to the agreed roster arrangements above and as applicable .

For casual employees overtime shall be paid for any hours worked additional to the rostered ordinary hours

For each employee the first two hours of overtime Monday to Saturday shall be paid at the rate of time and one half (150%) of the appropriate classification rate , with double time (200%) of the appropriate classification rate paid thereafter.

Overtime worked on a Sunday shall be paid at the rate of double time (200 %) of the appropriate classification rate.

b. Time off in lieu

By agreement between the parties time off may be taken in lieu of overtime ,provided :

-any such agreement is in writing

-the time off shall be calculated at the overtime equivalent

-the time off must be at a mutually agreed date not later than one month from the working of overtime

c. Need for overtime

As we are in a service industry a reasonable amount of overtime may be required to service the customers needs. The Company shall endeavour to accommodate any individual family commitments, and personal circumstances will be given consideration where practical.

Employees called in to work overtime on a Saturday , Sunday or Public Holiday shall be given a minimum of 4 hours payment.

e. Maximum hours

No employee will be required to work more than 12 hours in any one day except in an emergency. Employees will be required to absent themselves for 10 hours between shifts., but this may be reduced to 8 hours in any emergency and / or by mutual agreement.

13. START / FINISH ARRANGEMENTS AND MEAL BREAKS

Notwithstanding any overriding OHS requirements or guidelines, each employee shall present themselves at their work station and be ready to start at their nominated start time and shall remain at their work station until their nominated finished time.

Two meal breaks of 20 minutes each shall be provided during a normal working day or shift. Each employee shall remain at their work station until the start of their rostered meal break and present themselves back at their work station 20 minutes later.

The first meal break of 20 minutes shall be taken subject to work requirements. The second meal break of 20 minutes shall be taken not later than five hours from commencement. The second meal break only shall be paid for the purposes of this Agreement at the appropriate classification rate of pay.

If Warehouse Management requests an employee to work through a meal break and the employee agrees to do so payment will occur as follows :

Unpaid meal break (first daily break)- the appropriate classification rate of pay
Paid meal break (second daily break)- the appropriate classification rate plus 50%.

d. Meal Breaks on Overtime

Employees shall be entitled to a 20 minute paid meal break after working 1 1/2 hours past their rostered finish. When the employee has been requested to work overtime and works more than 1 1/2 hours past their rostered finish time the employee will receive a meal allowance of \$7.50. When working on overtime all meal breaks are paid.

14. ROSTERED DAYS OFF

Rostered days off may be taken in the following manner:

- maintain existing rosters
- accumulate and pay out any time with a minimum of 5 days to a maximum of 12 days
- Any employee who is requested to work on an RDO will be granted an alternative day off.

15. SICK LEAVE

Sick leave shall be 64 hours per year which is accumulative.

Sick leave of two days or more on each occasion must be substantiated by a Doctor's Certificate.

As entitled, each employee shall be paid the number of sick leave hours appropriate to their individual roster arrangement. Subject to each employee holding 64 hours in reserve all other sick leave may be paid out on a voluntary basis at each anniversary date.

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16. ANNUAL LEAVE, ANNUAL LEAVE LOADING, AND LONG SERVICE LEAVE

Annual Leave, Annual Leave Loading and Long Service leave shall be in accordance with the State legislation and Award.

17. PUBLIC HOLIDAYS

The following days shall be recognised as public holidays , New Years Day, Australia Day, Good Friday , Easter Saturday, Easter Monday , Anzac Day , Queens Birthday, Eight Hour Day, Christmas Day , Boxing Day, and all proclaimed public holidays for the State and the annual picnic of the majority of employees on site, of which one month's notice shall be given by the Union to the Company.

Weekly full time and part time employees shall be entitled, without loss of pay, to Public Holidays as observed or proclaimed in NSW , and as indicated above.. Where a weekly employee's roster does not include a paid Public Holiday when it occurs as a normal working day the employee shall be entitled to payment for that day at the appropriate classification rate of pay for 7.6 hours

. Each employee rostered or nominated to work on a Public Holiday shall be paid at double time (200%) of the appropriate classification rate of pay for hours worked; or alternatively paid at single time at the appropriate classification rate of pay for hours worked with an entitlement of equivalent paid leave at single time which may be taken with annual leave (without leave loading) , or as mutually agreed.

Employees working on a Public Holiday shall be given a minimum of four hours payment .Employees absent the working day before or after the public holiday without reasonable excuse or without Company agreement shall not be entitled to such holiday.

18. EFT

All wages and allowances shall be paid weekly in arrears by EFT. The Company shall carry the initial cost of this transaction .One month's period of time shall be allowed to complete this arrangement.

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19. TRANSFERS

The Company may require its employees to transfer daily between warehouses to meet warehouse requirements, or emergency work related needs that may arise. Personal difficulties or family circumstances may be considered providing satisfactory advice is given to the Company. Transfers due to emergencies shall be given maximum cooperation by all parties. A travel allowance of \$ 0.44 per kilometre will be paid for the incidental and authorised use of personal vehicles between Girraween and Amdell Park when transfer is required after commencement.

20. UNION TRAINING

Subject to the following conditions, elected union delegates shall be granted leave to attend courses conducted or approved by the Trade Union Training Authority or the ASU which are designed to promote good employee relations.

- no more than two paid days per year shall be granted to each delegate,
- untaken leave shall not accrue from year to year,
- applications shall be in writing and at least 28 days before the course and shall include details of the course, content and dates conducted,
- only employees with six months continuous employment are eligible for this leave,
- no more than one employee can attend at the same time,
- any employee attending such leave shall not be financially disadvantaged in any way,
- P&O C.S. will shall not be required to pay any other costs associated with leave pursuant to this clause,
- leave granted under this clause shall count as service for all purposes of this agreement, and
- on completion of the course the employee shall in order to be paid provide proof of their attendance at the course and upon request inform P&O C.S. of the nature of the course and their observations.

21. PARENTAL LEAVE

Parental Leave, including Maternity Leave, Paternity and Family Leave shall be granted in accordance with the provisions of the NSW State legislation.

22. REDUNDANCY

The Company proposes the following redundancy payment arrangements for all current employees.

For under 12 months weekly service - Nil

At the completion of each 12 months weekly service - as per schedule .

At each completed year of service :

<u>Years</u>	<u>Weeks Pay</u>
1	3
2	6
3	9
4	12
5	15
6	18
7	21
8	24
9	27
10	30
11	33
12	36

Thereafter three weeks for each year of service to a maximum of 60 weeks in the event of any redundancy the company will ensure that a fair and equitable process is implemented for any employees who are surplus to company requirements.

23 NO EXTRA CLAIMS CLAUSE

It is a condition of this Agreement that the employees undertake not to pursue any extra claims, award or over award , for the duration of this Agreement., nor shall they encourage any union to do so.

24. Dispute / grievance settlement procedure

1. Should a dispute or grievance of any nature arise in the future at a warehouse operation of the Company involving Clerks the following procedure shall apply :-

a There shall not be a cessation of work , which includes the holding of a stop work meeting , and reasonable time limits must be allowed for discussion at each level of authority.

b The dispute or grievance shall be submitted to the Warehouse Management by the employee's representative for discussion and resolution.

c The State Management shall discuss the dispute or problem with the employee (s) representative and / or with the Secretary or designated officer of any industrial organisation representing the employee.(s)

d . Failing agreement the dispute may be referred to the Industrial Relations Commission of New South Wales for determination by the employee, the Company or the industrial organisation representing either party

2 . Should a dispute of any nature arise in the future that applies to the industry generally the following procedure shall apply :-

a .There shall be no cessation of work which includes the holding of a stop work meeting and normal work shall continue.

b .The dispute or grievance shall be referred to the State Management of the Company by the industrial organisation representing the employee(s)

c State Management shall discuss the dispute with the Secretary or designated officer of the industrial organisation involved.

d .Failing agreement the dispute may be referred to the Industrial Relations Commission of New South Wales for determination.

In any event products shall never be exposed to temperature deterioration.

25. Amendments to Agreement

Where the parties agree on further changes then this agreement may be amended in accordance with Section 125 of the ACT.

26 Superannuation

In addition to the rates of pay in this agreement the Company shall contribute on behalf of any eligible employee covered by this award an amount as prescribed by the superannuation guarantee levy. This money shall be paid into a fund approved by the Occupational Superannuation Commission subject to agreement by the Company.

The Company may suspend contributions on behalf of any employee for any period when the employee is absent from work on unpaid leave provided that the Company shall continue to make contributions in respect of any period during which an employee is absent from work on Workers Compensation up to a maximum of 26 weeks and provided further that the employee remains in the employ of this Company.

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27 No Duress

This is to confirm that this Enterprise Agreement was not entered into under any form of duress by any party to it.

26. Savings Clause

No employee shall be disadvantaged by the making of this agreement taken as a whole.

Signed for and behalf of
P&O COLD STORAGE Pty. Ltd.

Chris (CFRize)

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Date
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Signed by the following Clerical Employees of P&O Cold Storage Pty. Ltd.
in New South Wales

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ATTACHMENT A

Attachment 1 — Incentive Scheme

- (1) The aim of the scheme is to:
 - (a) Increase productivity and accuracy and reduce costs.
 - (b) Provide a safe, clean and hygienic workplace and reduce damage to the facility and clients' goods.
 - (c) Become more customer-focused through a higher level of communication with clients, their stores and management. provide a responsive service which

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DRAFT - 21 March 1996 - FOR SETTLEMENT PURPOSES ONLY NOT FINAL SETTLED VERSION

is benchmarked to the industry's best practice and provide an assessment of each warehouse's performance and delivery quality.

(2) Productivity Performance — Productivity performance will be based on the Warehouse Labour Forecast Model measurement systems, which have been established in each warehouse.

By applying a constant series of target productivity rates and procedures to actual volume requirements (chiller/freezer; inloading/outloading; replenishments; module/bulk), the system projects daily hours by individual function (order pick, forklifts, etc.) and benchmarks total productivity for each day.

Actual hours employed and productivity are tracked daily.

Actual and benchmark productivity are each expressed in terms of cartons out per hour worked.

Performance is determined by comparing actual daily productivity to benchmark. Systems and procedures which monitor performance are established with daily reports and an overall weekly assessment. Actual performance is monitored relative to benchmark and expressed as percentage to benchmark. As customer volume requirements change daily over the week and vary on a seasonal basis, the Productivity Performance Indicator provides a clear measure of real improvements achieved. For example: Overall, the Woolworths operation returned an average Productivity Performance indicator of 84 per cent for 1994. Achievement of 93 per cent would be an increase of nine full percentage points, which represents productivity performance improvement of 10.7 per cent (nine as a percentage of 84).

(3) Productivity Incentive Scheme — It is proposed that a productivity incentive scheme will be introduced, based upon achieving higher productive performance than the average levels achieved for last year (1994). Productivity performance will be monitored and measured as outlined above.

Higher productivity performance will reduce casual employee hours on a daily basis. Therefore, cost savings will be determined on the normal casual labour payment of \$410.40 per week, plus casual loading of 15 per cent and 1/12 annual leave allowance, together with the proposed increase of \$74.10 plus 15 per cent, and 1/12 applicable thereto.

Cost savings achieved from higher productivity performance will be shared equally by the full-time employees of each operation, the customer and the company.

Incentive payments will be made monthly, based on the average productivity performance indicator achieved by each warehouse operation.

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Outloading volume averaged 291,500 cartons per week for 1994, related benchmark productivity averaged 91 cartons out per hour worked, but actual hours worked averaged a total 3,815 per week, with actual performance to benchmark thus averaging only 84 per cent (Productivity Performance Indicator).

A Productivity Performance Indicator of 93 per cent would have resulted in an average 374 hours less per week. For a month, the amount shared amongst the Woolworths warehouse full-time employees from such saving would total approximately \$7,820.

Under this example, and on the basis of a target number of 63 full-time employees (85 per cent of the total workforce) the incentive payment to each would be \$124 or an average \$31 per week.

With reference to clause 17, Overtime, where casual employees can be de-hired prior to the nominated daily paid meal break, additional cost savings should be achieved. Any such savings will be fully shared amongst weekly employees.

In determining all incentive payments, performance in relation to key qualitative aspects will also require assessment. As a guide, the following will be included for assessing payments:

- No increase in levels of damaged stock.
- No increase in stocktake variances.
- No decrease in order pick, assembly and dispatch accuracy.
- No increase in damage to pallet racking, cold room doors and structures, materials handling equipment, etc.

Assessment guidelines in relation to these qualitative aspects will require further discussion; however, performance will be compared against 1994 percentage levels and other historical information.

(4) Productivity Assistance — The following actions are proposed to assist employees in improving their skills, to enhance work practices and procedures and to increase productivity for each warehouse operation.

- (a) Review handling methods, procedures and equipment for receipt, put-away, replenishment, order picking/assembly and outloading.
- (b) Review employee utilisation and training facilitate:
 - (i) More effective development and better productivity, thus reducing non-productive time and waiting time.
 - (ii) Safer work practices to further avoid personal injury, equipment damage and down time.

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- (c) Review warehouse product layout to facilitate the most efficient and economical use of space and time.
- (d) In the area of EDP support, determine the feasibility of:
- (i) Radio frequency transmission from computer to forklifts for more efficient and accurate put-away and replenishment operations, elimination of documentation and processing requirements.
 - (ii) Decentralisation of VDU terminals and printers for input and retrieval of inloading and outloading data.
 - (iii) Hand-held scanning equipment to assist with cyclical counting and stock reconciliation.
 - (iv) Hand-held scanning equipment to assist with receipts for more efficient and accurate checking, minimising documentation and processing and quicker turnaround of vehicles.

In conjunction with the above, employee representatives for each warehouse will be constantly involved to enable employees to co-operate fully and, through their own initiatives, provide discussion, suggestions and ideas for improvement in warehouse productivity.

In determining the feasibility of proposed changes, innovations and improvements, all additional financial investment required on the part of the company will also need to be considered and appropriate pay-back rates accounted for.

NOTE: It has been agreed that the employer will put into place an educational program to acquaint employees with how the incentive scheme shall operate and the benefits to the employees before its introduction, to allow for discussions to take place between the parties before final agreement is reached.

B. W. O'NEILL, Conciliation Commissioner.

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