

(1800)

SERIAL C3204

TRANSPORT INDUSTRY - READYMIX HOLDINGS PTY LTD CONCRETE CARTAGE CONTRACT DETERMINATION

Schedule of Contract Determination published on 4.3.2005 and subsequent variations incorporated

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Parties

1. Readymix Holdings Pty Ltd (ABN 87 099 732 297) carrying on business at 90-92 Phillip Street, Parramatta in the State of New South Wales (Readymix)
2. The Transport Workers Union of New South Wales for and on behalf of contract Carriers covered by the terms of this Determination.

This Determination is made pursuant to the provisions of Chapter 6 Part 3 of the *Industrial Relations Act 1996* (NSW) as amended.

The parties hereto hereby agree as follows:

1. Interpretation

1.1 Definitions

In this document:

6 Wheeler means a Concrete Truck with three (3) axles and six (6) wheel positions.

8 Wheeler means a Concrete Truck with four (4) axles and eight (8) wheel positions.

Mini Truck means a Concrete Truck with two (2) axles and four (4) wheel positions.

Accounting Period means a calendar month unless varied by consent.

Additional Payments means those payments specified in clause 6.

Agitator means the mixing equipment necessary to mix concrete during transportation by a Concrete Truck. It is also referred to herein as "the mixer".

Amenities means the Drivers' lunch room at a Plant.

Annual Safety Net Payment means the payment referred to, and calculated in accordance with, clause 0 and schedule 2 (and "Safety Net" shall have a corresponding meaning).

Average Fleet Productivity means the average annual paid cubic metres carried by a group of Contractors in a Utilisation Group.

Business Day means a day which is not a Saturday, Sunday or bank or public holiday in the State.

Commencement Date means 16 January 2005.

Concrete means pre-mixed concrete manufactured by Readymix and any other materials that can be delivered in a Concrete Truck as may be designated by Readymix.

Concrete Truck means a vehicle used to transport and deliver pre-mixed concrete and, subject to clause 0, to mix the concrete.

Continuous Pour shall mean

- (a) A slab and any walls, columns, stairs and the like provided they are an integral part of the said slab and are poured at the same time; or
- (b) Road pavements; or
- (c) Multiple strip footings within a radius of one half (1/2) kilometre; or
- (d) Tilt up panels.

A continuous pour as defined cannot continue from one calendar day to the next.

Configuration means the classification of a Concrete Truck by reference to its Load Capacity as follows:

- (a) Mini Truck;
- (b) 6 Wheeler;
- (c) 8 Wheeler; or
- (d) Any other classifications designated by Readymix from time to time.

"Carrier" or "Contractor" both mean a Carrier as defined in the *Industrial Relations Act 1996* who supplies a Concrete Truck.

Cyclic Start Roster means a start of day roster applicable to Concrete Trucks having the same Configuration at each Plant based on a "first out yesterday, last out today" system with the effect that each Concrete Truck of that Configuration will move through the cycle for that Configuration from starting first to starting last and, on successive days, all points in between (provided that this definition of Cyclic Start Roster will vary in accordance with the provisions of clause 11.4).

Driver means a director of the Carrier who is employed or engaged by the Carrier and nominated by the Carrier to operate a Concrete Truck for the Carrier pursuant to clause 20 of this Determination.

Home Plant means the Plant designated by Readymix from time to time as the Plant from which the Carrier's Concrete Truck will, unless transferred, operate from the start of each Working Day.

Insolvency Event means:

- (a) a person is or states that the person is unable to pay from the person's own money all the person's debts as and when they become due and payable;
- (b) a person is taken or must be presumed to be insolvent or unable to pay its debts under any applicable legislation;
- (c) an application or order is made for the winding up or dissolution or a resolution is passed or any steps are taken to pass a resolution for the winding up or dissolution of a corporation;
- (d) an administrator, provisional liquidator, liquidator or person having a similar or analogous function under the laws of any relevant jurisdiction is appointed in respect of a corporation or any action is taken to appoint any such person and the action is not stayed, withdrawn or dismissed within seven days;
- (e) a receiver or receiver and manager is appointed in respect of any property of a corporation;
- (f) a corporation is deregistered under the *Corporations Act* or notice of its proposed deregistration is given to the corporation;
- (g) a distress, attachment or execution is levied or becomes enforceable against any property of a person;
- (h) a person enters into or takes any action to enter into an arrangement (including a scheme of arrangement or deed of company arrangement), composition or compromise with, or assignment for the benefit of, all or any class of the person's creditors or members, or a moratorium involving any of them;
- (i) a petition for the making of a sequestration order against the estate of a person is presented and the petition is not stayed, withdrawn or dismissed within seven days or a person presents a petition against himself or herself;
- (j) a person presents a declaration of intention under section 54A of the *Bankruptcy Act* 1966; or anything analogous to or of a similar effect to anything described above under the law of any relevant jurisdiction occurs in respect of a person.
Load Capacity means the lesser of:
 - (k) the maximum legal carrying capacity of the Carrier's Concrete Truck; and
 - (l) the manufacturer's nominated maximum capacity of the Agitator.

Minor Maintenance for the purposes of clauses 19.6 (c) shall include replacement of globes and clearance lights, all backup alarm maintenance, fitting of mud flaps, greasing of rollers and any fluid inspections.

New Truck means a truck that is less than three (3) years of age and is in the fleet at the commencement of this agreement or in the case of trucks not in the fleet a brand new truck.

Operational Area means any area within New South Wales designated by Readymix as a discrete area of operation.

Operational Requirements means all factors which may, in Readymix's opinion, affect the operating efficiency, volume or quality of concrete produced, profitability of one or more Plants or otherwise affect in any way one or more Plants or any aspect of Readymix's business.

Carrier's Service Obligations means those of the Carrier's obligations under this Determination which relate to the loading, mixing, transportation and delivery of concrete and other designated materials, and those relating to rostering, occupational health and safety and information and documentation required in respect of deliveries of concrete and other designated materials to customers.

Plant means a batching plant where concrete and similar batched materials are manufactured for delivery in a Concrete Truck.

Practicable Route means roads open for use by vehicles with the Configuration of the Carrier's Concrete Truck.

Public Holiday means a day declared and gazetted as such for the Operational Area.

Quarter means each three month period ending on 31 March, 30 June, 30 September and 31 December each year.

Readymix Officer means Readymix's Chief Executive Officer, Chief Financial Officer or Chief Operating Officer or an authorised Readymix General Manager.

Readymix's Normal Trading Hours means 6:00 am to 6:00 pm Monday to Friday and from 6:00 am to 1:00 pm Saturday.

Readymix Representative means the Readymix Plant Manager or his/her delegate.

Rejected Concrete means concrete that does not meet the product specification detailed on the delivery docket and is unacceptable for delivery.

Returned Concrete means concrete that is excess to a particular customer's requirements.

Roster Off means the period during which the Carrier's services are not required by Readymix for the balance of a Working Day.

Slump means a measure of consistency of concrete that can be determined visually and confirmed by the test method detailed in the current edition of Australian Standard AS1012.

Term means the term of this Determination determined in accordance with clause 0.

True Cost Formula means the formula upon which Utilisation Cartage Rates may be varied due to the rise or fall of predetermined indices.

Union means the Transport Workers Union of New South Wales.

Utilisation Cartage Rates means the cartage rates paid for various annualised levels of truck productivity measured in cubic metres per truck per year (m³/truck/year) as set out in schedule 2..

Utilisation Group means a group of Concrete Trucks which includes the Carrier's truck:

- (m) having the same Configuration as the Carrier's Concrete Truck;
- (n) operating from the same Home Plant, Plants or Operational Area nominated by Readymix as applicable to the Carrier; and

- (o) which may be varied by Readymix only once each 12 month period by the giving by Readymix of three (3) months notice to the Carrier or Carriers affected.

Working Day means any day on which Readymix requires a Carrier to provide services pursuant to this Determination (and "Work Day" shall have a corresponding meaning).

1.2 Interpretation

Unless expressed to the contrary, in this document:

- (a) words in the singular include the plural and vice versa;
- (b) any gender includes the other genders;
- (c) if a word or phrase is defined its other grammatical forms have corresponding meanings;
- (d) includes means includes without limitation;
- (e) no rule of construction will apply to a clause to the disadvantage of a party merely because that party put forward the clause or would otherwise benefit from it;
- (f) a reference to:
 - (i) a person includes a partnership, joint venture, unincorporated association, corporation and a government or statutory body or authority;
 - (ii) any legislation includes subordinate legislation under it and includes that legislation and subordinate legislation as modified or replaced;
 - (iii) an obligation includes a warranty or representation and a reference to a failure to comply with an obligation includes a breach of warranty or representation;
 - (iv) a right includes a benefit, remedy, discretion and power;
 - (v) time is to local time in the Operational Area;
 - (vi) \$ or "dollars" is a reference to Australian currency;
 - (vii) this or any other document includes the document as notated, varied or replaced and despite any change in the identity of the parties;
 - (viii) a clause or schedule is to a clause or schedule of this Determination;
 - (ix) writing includes any mode of representing or reproducing words in tangible and permanently visible form, and includes fax transmission; and
 - (x) this document includes all schedules and annexures to it; and
- (g) where time is to be calculated by reference to a day or event, that day or the day of that event is excluded.

2. Appointment as Independent Contractor

2.1 Engagement

The Carrier acknowledges that it is an independent contractor to Readymix for the purpose of delivering pre-mixed concrete and other designated materials to customers of Readymix.

2.2 Carrier's Employees

The Carrier is at all times and will remain, responsible for all employment costs including wages, salaries, fees for service, sick leave, annual leave, long service leave, superannuation, worker's compensation insurance and other entitlements of all persons employed or otherwise engaged by the Carrier in connection with the performance of this Determination and for all payroll and other taxes payable in respect of those persons.

2.3 Carrier To Supply Concrete Truck

The Carrier is responsible for providing the Concrete Truck necessary to provide the services required pursuant to this Determination. Subject to clause 0, this obligation may include the obligation to provide the Agitator for the Concrete Truck. The Carrier must own the Concrete Truck and may use an appropriate financing mechanism if the Carrier so chooses.

2.4 Level Of Earnings

The Carrier acknowledges that the Carrier's level of earnings under this Determination is influenced by many factors including:

- (a) the level of demand for Readymix concrete from Readymix's customers; and
- (b) the Carrier's efficiency and availability.

The Carrier further acknowledges that the Carrier may earn more or less than other Carriers.



3A. Date of Operation

This Determination will commence on 16 January 2005 and remain in force for a period of three (3) years thereafter.

Notation: The parties to this Determination agree that it represents a ten (10) year commitment. Neither party intends to change that commitment.

3B. Cartage Contract Term

3(B)

1. Under the provisions of this Determination each Carrier engaged by Readymix is hereby granted a cartage contract on the terms and conditions contained in this Determination and which cartage contract shall have the following period of operation:

1. Category A Contracts

Readymix shall nominate one hundred and six (106) Carriers who will be granted a cartage contract of ten (10) years duration to commence from the date the carrier introduces a new truck (as approved by Readymix) to the fleet.

The introduction by the Carrier of a new truck must be effected no later than 30 April 2006 and will be co-ordinated by the Carrier and Readymix. For the period from the date of commencement of this Determination to the date of introduction of the new truck the Carrier will continue to be engaged by Readymix under the terms of this Determination.

2. Category B Contracts

Readymix shall nominate forty (40) Carriers who will be granted a cartage contract of two (2) years duration to commence from 16 January 2005.

During the two (2) year period of the cartage contract Readymix will closely review the performance of each Carrier. If the performance of a Carrier is found by Readymix to be satisfactory then that Carrier will be offered a contract extension of eight (8) years which extension will take effect from 16 January 2007 provided however, that in order to qualify for the eight (8) year extension, the carrier must introduce a new truck (as approved by Readymix) to the fleet prior to 16 January 2007.

3. Category C Contracts

Readymix shall nominate six (6) carriers who shall be granted cartage contracts of seven (7) years duration which contracts shall commence operation on 16 January 2005. Readymix has the absolute discretion to require these carriers to assign their contracts on the open market at any time.

3(B)

2. When a carrier introduces a new truck to the fleet in any circumstances the truck must first be approved by Readymix in writing and must meet all the criteria required by Readymix in this regard.



3C. Vehicles

Readymix has the absolute right and discretion to nominate the configuration of any vehicle introduced by a Carrier to the fleet. In particular Readymix has the discretion to decide the number and location of eight (8) wheeler and six (6) wheeler vehicles in the fleet.

4. Carrier's Payment Entitlements

4.1 Summary Of Entitlements

Subject to the Carrier complying with the provisions of this Determination, the Carrier will receive from Readymix:

- (a) payment of a cartage rate for concrete carried along the shortest practicable route by the Carrier's Concrete Truck at the Utilisation Cartage Rates and in accordance with the provisions of schedule 2;
- (b) where applicable, the Annual Safety Net Payment calculated in accordance with, and subject to the provisions of, clause 0; and
- (c) where applicable, the Additional Payments.

Note: A three (3) metre and three (3) kilometre minimum shall apply to all cartage except where otherwise specified.

Further Note: a four (4) metre minimum shall apply to all cartage in excess of 25 kilometres.

4.2 Contents Of Schedule 2

The Parties acknowledge that schedule 2 contains, amongst other matters:

- (a) a True Cost Formula which details the costs of labour, running costs (including repair and service costs) and Return on Funds Employed necessary to operate a Concrete Truck, which figures are subject to stated assumptions and subject to increase in accordance with the provisions of schedule 2; and
- (b) per cubic metre volume incentives, running rates (i.e. per kilometre rate) and load fees based on various levels of paid cubic metres per Concrete Truck per year.

4.3 Average Fleet Productivity Review

- (a) On or before the 15th day of the calendar month after the end of each Quarter, Readymix will calculate the Average Fleet Productivity for the Carrier's Utilisation Group for the previous Quarter. The average fleet productivity calculation will measure the average volume of paid carted quantities (other than concrete produced on Sundays) for all Concrete Trucks of the same Configuration in the relevant Utilisation Group to which the Carrier belonged. All calculations under this clause will exclude the Company owned fleet or any other fleet engaged by Readymix for the purpose of carting concrete.
- (b) Where a Carrier is transferred to a different Plant or Operational Area during a Quarter, that Carrier's paid cubic metres for that Quarter will be counted as part of the Utilisation Group from which the Carrier was transferred, and the Carrier's cartage rate entitlement for that Quarter will be calculated on the basis of the fleet productivity for the Utilisation Group from which the Carrier was transferred. However, if the transfer extends, or will extend, for longer than a Quarter, the Utilisation Group to which the Carrier was transferred will become the relevant Utilisation Group from the beginning of the new Quarter. In the case of any dispute as to the relevant Utilisation Group for the purpose of determining the relevant Average Fleet Productivity, Readymix's decision will be final but the dispute resolution process in clause 0 may be invoked.
- (c) In calculating the Average Fleet Productivity, Readymix will have regard to:
 - (i) the paid metres carted during the relevant Quarter by all Carriers in the same Utilisation Group;
 - (ii) the number of Carriers' Concrete Trucks in the Utilisation Group for the Quarter;

- (iii) the number of Working Days for all Carriers in the Utilisation Group in the Quarter after deduction of the unavailable days during the Quarter as a result of authorised and unauthorised absence and vehicle breakdown.

4.4 Calculation Of Utilisation Cartage Rate

Subject to clause 0 and the provisions of schedule 2, the Carrier will be paid a cartage rate based on the paid metres carted by the Carrier during the relevant Quarter at the average fleet utilisation rate (as adjusted) calculated on a Moving Annual Total basis i.e. the cartage rate paid in a quarter is based on the previous four (4) quarters using the Moving Annual Total system.

4.5 Variation Of Rates

On March 15th each year the cartage rates payable under this Determination will be reviewed pursuant to schedule 2. If the rates are varied as a result of that review the varied rates will take effect from 1 April. Another review pursuant to schedule 2 will be carried out on September 15th of each year but rates will only vary if the review shows a change in costs exceeding 3%. The variation (if effected) would take effect from 1 October.

5. Annual Safety Net Payments

5.1 Purpose

An Annual Earnings Safety Net Payment as set out in schedule 2 will apply to the Carrier during the term of this Determination. The Safety Net is a guaranteed minimum amount payable to the Carrier for each year of this Determination, paid Quarterly subject to the provisions of this clause 0 and schedule 2. The Carrier will not however receive a payment under this clause 0 in respect of the period between the Commencement Date and the completion of the Quarter in which the Commencement Date falls. The Carrier's entitlement to the Safety Net payment will also be subject to the Carrier's compliance with all its obligations under this Determination.

5.2 Calculation

The amount of the Annual Earnings Safety Net Payment is specified in schedule 2. Readymix shall pay the Carrier an amount not exceeding one quarter of the Annual Earnings Safety Net Payment per Quarter if the Carrier has earned less than one quarter of the Annual Earnings Safety Net Payment at the end of the relevant quarter. The amount payable shall be calculated in accordance with the following formula:

$$\text{Quarter Safety Net Payment} = (\text{ASN} \div 4) - Y$$

where:

ASN equals Annual Earnings Safety Net Payment; and

Y equals the actual total Carrier earnings during the relevant Quarter.

The Quarter safety net payment shall be made in the pay period following the end of the relevant Quarter.

5.3 Working Week For Purpose Of Calculation

The normal working week for the purpose of calculation of safety net payments is six (6) consecutive days, Monday to Saturday inclusive, to a total of 268 days per annum. Any quarterly safety net payment payable to the Carrier will be reduced by $4 \div 268$ ths per day for each day the Carrier is deemed to be unavailable the Carrier will be deemed to be unavailable if:

- (a) the Carrier fails to provide services to Readymix as obliged by this Determination;
- (b) the Carrier is in persistent breach of an obligation under this Determination which the Carrier has previously been notified of as a breach by Readymix; or
- (c) the Carrier is not having its Concrete Truck loaded with concrete by Readymix for any of the reasons referred to in any of clauses 0, 0, 0 and 20.7.

Unavailability will not arise if:

- (d) the nominated Plant is closed or unable to produce concrete;
- (e) the Driver is on approved annual leave.
- (f) the Carrier has previously been notified by Readymix that the Carrier is not required to perform services on the relevant day; or
- (g) force majeure has occurred.

5.4 Variation Of Safety Net

The value of the Annual Earnings Safety Net will be subject to rise and fall as set out in schedule 2.

5.5 Recoupment Of Safety Net Payment

Where Readymix has made a Quarterly safety net payment in accordance with the provisions of this clause 0, and the Carrier in a subsequent Quarter earns more than one quarter of the Annual Earnings Safety Net Payment, Readymix will have the right to deduct from payments otherwise due to the Carrier in the future, the amount of any previous sum paid by Readymix to the Carrier by way of a Safety Net payment in accordance with this clause 0, until the full amount of all Annual Earnings Safety Net Payments made by Readymix have been recouped by Readymix. If at the end of this Determination Readymix has not recouped all of the Annual Safety Net Payments made to the Carrier over the term of the Determination, the Carrier is not obliged to refund the Annual Safety Net Payments made and not recouped.

6. Additional Payments

6.1 Purpose

This clause 6 sets out payments and other benefits that will be made available to the Carrier in addition to the payments due under clause 0.

6.2 Mixing In The Yard

A fee as set out in item A of schedule 1 shall be paid to the Carrier where the Carrier is required by Readymix to mix and discharge concrete into a customer's own vehicle for the customer to transport away from the Plant. A two (2) metre minimum shall apply.

6.3A Standby Time

- (a) The Carrier shall be entitled to a standby time payment at the rate specified in item B of schedule 1 where Readymix requests the Carrier to remain at a Plant for the purpose of taking a delivery to a customer at a time outside Readymix's Normal Trading Hours. The Carrier will be entitled to the standby time payment whether or not the delivery is ultimately required.
- (b) Despite paragraph 0, the Carrier will not be entitled to the standby time payment if the Carrier is required to wait for less than one hour outside Readymix's Normal Trading Hours.

Note: Standby payments shall only be made where the Carrier is required to wait i.e. in situations where night hours are required and no waiting on the part of the Carrier arises, then no standby payment will be made.

6.3B Call Out

- (a) A Carrier called back outside Readymix's Normal Trading Hours (as defined herein) shall be entitled to a Call Out Fee as specified in Item C of schedule 1 to this Determination provided however that the Call Out Fee will not apply where the Carrier is given a load(s) of concrete to deliver and the total income earned from the load(s) exceeds the Call Out Fee. If the income of the load(s) is less than the Call Out Fee then the Carrier will be paid the difference between the Call Out Fee and the load(s).
- (b) The Call Out Fee will apply in addition to rather than in substitution for the Standby Time payment referred to in Clause 6.3A.

6.4 Concrete Produced On Sundays And Public Holidays

Where the Carrier is required to deliver concrete on a Sunday or Public Holiday, the Carrier shall be entitled to a surcharge in addition to the normal cartage rate payable to the Carrier as specified in either item L or M of schedule 1 which shall be paid on a cubic metre basis and on the assumption that each load is a minimum of 3 cubic metres.

6.5 Adjacent Transport

Where a Carrier is required to cart concrete either:

- (a) within the confines of a Plant owned and or operated by Readymix; or
- (b) to a location immediately adjacent to and within a one (1) kilometre radius of a Plant owned and or operated by Readymix.

then the Carrier shall only receive the load fee specified in Item N of schedule 1.
A three (3) metre minimum shall apply.

6.6 Living Away From Home Allowance

Where a Carrier is required by Readymix to work from a location which precludes the Driver from returning to his normal place of residence each night, then Readymix will pay to the Carrier the Driver's reasonable accommodation and breakfast costs at accommodation nominated by Readymix and for a period of one week, or such longer period as may be agreed. Following the expiration of the first week, if the transfer is for a longer agreed period, the Carrier will be responsible for locating the Driver's accommodation and meeting the cost of all accommodation and meals.

6.7 Road And Bridge Tolls

- (a) Where payment of a road or bridge toll is required for either or both the outward and return journeys by the shortest Practicable Route, Readymix will issue the Carrier with a mutually agreed number of pre-paid toll tickets, electronic tag or equivalent cash money for that load, or a toll card free of charge.
- (b) Where Readymix provides the Carrier with a toll pass or electronic tag, it will remain the property of Readymix and must not be used by the Carrier for any other use and will be returned to Readymix on termination or expiration of the Determination.

6.8 Special Rates

- (a) To cater for special or unique circumstances, Readymix may propose to the Carriers representatives that a special rate structure should apply.
- (b) In order to be effective, the special rate structure must be agreed by the elected Readymix Carriers Committee and a representative of Readymix and will, to the extent of any inconsistency, prevail over the cartage rates specified by this Determination. Such agreement must be evidenced in writing and a copy must be sent to the Union.

6.9 Unloaded Kilometres

Unloaded kilometres travelled by the Carrier 's Concrete Truck at Readymix's request for operational needs (e.g. daily transfers, workshop transfer etc) will attract a payment at the rate specified in item H of schedule 1. This provision shall operate to cover daily or weekly transfers as appropriate. For periodic transfers of a week or more this provision shall not apply. Note: Where the Carriers Concrete Truck is required to deliver a load and then transfer to another plant the Carrier shall be paid for that distance travelled to the plant which is in excess of the return distance from the original plant to the delivery location.

6.10 Multiple Discharge

- (a) Where a Carrier is required to deliver a load to the same customer at multiple discharge points the Carrier will be paid for the total distance travelled from the Plant to the final discharge point.
- (b) The payment for cartage of one load for delivery to more than one customer at different discharge points will be treated for the payment of cartage as if separate delivery had been made from the Plant where loaded to each delivery point.

6.11 Diverted Loads

- (a) Where a load is diverted prior to discharge at a delivery site, the Carrier will be paid a cartage rate covering the total distance travelled from initial departure from the Plant where loaded, to the final delivery point of the load.

6.12 Returned Concrete

- (a) All concrete remains the property of Readymix. Readymix may direct the Carrier as to where Returned Concrete is to be taken or if and where it is to be dumped. The Carrier is to contact dispatch for instructions as to where Returned Concrete is to be taken as soon as possible after a customer advises that it does not require the Returned Concrete.
- (b) No payment will be made to the Carrier when Returned Concrete is dumped within one kilometre of the delivery site at which the concrete became Returned Concrete.
- (c) Readymix will meet all dump costs for concrete which is dumped at Readymix's direction.
- (d) Where one (1) or more metres of Returned Concrete are involved the Carrier will be paid for the volume and kilometres involved in carting the Returned Concrete at the running cost paid rate per Schedule 2 but the 3m³ minimum shall not apply.

6.13 Additional Agitator rate

Where the Carrier supplies the Agitator, the Carrier will be paid a surcharge on each cubic metre loaded which surcharge will be specifically negotiated and agreed between the parties.

6.14 Waiting Time

- (a) The Carrier acknowledges that Readymix will make reasonable attempts to pass on the cost of Waiting Time to its customers. Readymix will on an as charged basis make Waiting Time payments available to its Carriers. It is the obligation of the Carrier to obtain a customer signature for Waiting Time on the delivery docket or, if unable to get the signature, to obtain specific approval from the Plant Manager for Waiting Time prior to leaving the site.
- (b) Provided the Carrier discharges its obligation as detailed above in sub clause (a), the Carrier will be entitled to a Waiting Time payment as detailed in item G of schedule 1 of this Determination.
- (c) Where the market undergoes a profound or material change with respect to the ability of Readymix to charge waiting time to its customers then Readymix has the absolute discretion to cease paying Waiting Time to its carriers. If this occurs then Readymix shall adjust the cartage rates contained in schedule 2 by the addition of an amount which will be calculated on the total amount of Waiting Time payments made for the previous twelve (12) month period divided by the total number of metres of concrete paid and then allocated on a per metre basis.

6.15 Outside Normal Hours

Cartage performed outside Readymix Normal Trading Hours shall attract the surcharge in item D of schedule 1.

7. Cartage Accounts and Payment

7.1 Readymix To Prepare

Readymix will prepare cartage accounts forming part of a Recipient Created Tax Invoice (RCTI) in accordance with dockets issued by Readymix to the Carrier when undertaking deliveries during the course of the Accounting Period. The RCTI will be submitted to the Carrier the self-billing invoice showing the full details of the delivery or other activity and the amounts to which the Carrier shall be entitled.

7.2 Details

The cartage account and RCTI prepared by Readymix will be itemised on a daily basis and will include the following details:

- (a) date;
- (b) delivery docket number;
- (c) job address;
- (d) quantity of load;
- (e) kilometres travelled;
- (f) payment amount per load;
- (g) GST; and
- (h) Additional Payments and deductions as referred to in clause 6, if applicable.

7.3 Total At End Of Accounting Period

All items on cartage accounts will be totalled individually at the conclusion of the Accounting Period. The gross cartage payment will be shown and any agreed deductions fully itemised. The net amount payable for the Accounting Period will also be shown.

7.4 Payment

- (a) Amounts due to the Carrier in respect of the cartage accounts will be paid by electronic transfer from Readymix to the Carrier's nominated bank account within ten Business Days following the end of each Accounting Period.
- (b) If Readymix overpays the Carrier by more than One Thousand Dollars (\$1,000), the Carrier must notify Readymix within forty five (45) days of the overpayment. Failure to notify will mean that the Carrier is liable to pay Readymix interest on the amount of the overpayment calculated at the 90 Day Bank Bill rate plus 3% from the date of the overpayment.
- (c) If the Carrier fails to pay back to Readymix the amount of any overpayment and interest in accordance with paragraph 0, Readymix can, in addition to any other rights it may have in relation to the overpayment, deduct from the Carrier's future payments, an amount equal to the overpayment plus interest at the 90 Day Bank Bill Rate plus 3%.

7.5 Account Discrepancies

- (a) Where a Carrier is underpaid by an amount of Three Hundred Dollars (\$300.00) or more in one Accounting period then Readymix shall ensure that the appropriate adjustment is made within fifteen (15) days of notification by the Carrier. If Readymix fails to make the appropriate adjustment within fifteen (15) days of notification by the Carrier then Readymix shall pay to the Carrier interest on the amount of the adjustment calculated at the 90 Day Bank Bill Rate plus 3% from the date the adjustment should have been paid.
- (b) Where the underpayment is less than Three Hundred Dollars (\$300.00) then Readymix shall ensure that the appropriate adjustment is made in the next Accounting Period after notification by the Carrier.
- (c) Where any overpayment is made by Readymix then Readymix shall make the appropriate adjustment immediately that it detects and confirms the overpayment.

7.6 Deductions For Fuel Expenses

If the Carrier purchases fuel from time to time from Readymix, Readymix will deduct from the cartage payment next due to the Carrier, an amount equal to the value of any fuel purchased from Readymix or, where this Determination has terminated, the Carrier must reimburse Readymix within thirty days of the date of purchase.

8. GST

- (a) In this clause:
- (i) GST Act means A New Tax System (Goods and Services Tax) Act 1999 and any related legislation;
 - (ii) Representative means a representative member of a GST group to which the relevant supplier belongs; and
 - (iii) the expressions "adjustment note", "consideration", "GST", "input tax credit", "supply", "tax invoice", "recipient", "recipient created tax invoice" and "taxable supply" have the meaning given to those in the GST Act.
- (b) Unless otherwise expressly stated, all prices or other sums payable or consideration to be provided under this Determination are exclusive of GST.
- (c) Despite any other provision in this Determination, if GST is imposed on any supply made under this Determination, the recipient must pay to the supplier an amount equal to the GST payable on the taxable supply.
- (d) The recipient must pay the amount referred to in clause 0 in addition to and at the same time as payment for the taxable supply is required to be made under this Determination.
- (e) If the amount of GST paid or payable by the supplier on any supply made under this Determination differs from the amount of GST paid by the recipient, because the Commissioner of Taxation lawfully adjusts the value of the taxable supply for the purpose of calculating GST, then the amount of GST paid by the recipient will be adjusted accordingly by a further payment by the recipient to the supplier or the supplier to the recipient, as the case may be.
- (f) If this Determination requires a party to reimburse or indemnify the other party for any expense, loss or outgoings ("reimbursable expense") the amount required to be reimbursed or indemnified by the first party will be the amount of the reimbursable expenses net of input tax credits (if any) to which the other party is entitled in respect of the reimbursable expense ("net amount") provided that should the reimbursement or indemnity be subject to GST, the net amount shall be increased in accordance with clause 0.
- (g) Subject to clause 0 a valid tax invoice or adjustment note must be delivered by a supplier to the recipient before the supplier is entitled to payment of an amount under clause 0. The recipient can withhold payment of the amount until the supplier provides a valid tax invoice or adjustment note as appropriate.
- (h) Readymix is authorised to withhold from payments to the Carrier, a Subcontractor or other worker such amounts as are required under the Pay as You Go (PAYG) system.
- (i) If this Determination requires the calculation of a price by the addition of a percentage margin to another rate or price, the percentage shall be applied to the rate or price exclusive of GST (or where the rate is expressed as being GST inclusive, then less any input tax credit the supplier is entitled to claim in respect of that item) provided that should the margin be subject to GST, the net amount shall be increased in accordance with clause 0.
- (j) In the event that liability for payment of GST in respect of a supply under this Determination is imposed upon a Representative of a supplier, this clause 0 shall nonetheless apply and any amounts to be calculated pursuant to clauses 0 and 0 shall be calculated in all respects as if, the supplier was liable for the GST imposed on such supply and entitled to input tax credits properly allocated to the making of that supply.
- (k) Readymix will issue recipient created tax invoice in respect of any supply made by the Carrier to Readymix under this Determination.
- (l) The Carrier will not issue tax invoices in respect of those supplies referred to in clause 0.



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- (m) The Carrier acknowledges that it is registered for GST at the time of the signing of this Determination.
 - (n) The Carrier will notify Readymix immediately it ceases to be registered for GST.
 - (o) Readymix acknowledges that it is registered for GST and will notify the Carrier if it ceases to be registered for GST or if it ceases to satisfy any one of the requirements which enables it to issue a recipient created tax invoice.

9. Truck Transfers

9.1 Home Plant

At the commencement of this Determination and from time to time, Readymix may designate a Plant as the Home Plant for a Concrete Truck supplied by the Carrier for the purposes of this Determination.

9.2 Transfer Within Operational Area

Readymix shall maintain transfer rosters in its concrete business which rosters will cover trucks of the same configuration and will specify the order in which Readymix requires the Concrete Trucks to transfer from one Plant to another Plant on a daily, weekly or monthly basis.

The said transfer rosters shall be cyclical and configuration based and shall include company owned trucks and other fleet vehicles. Provided, however, that in plants that are serviced only by company trucks the said transfer rosters shall not apply. (Note: if a Carrier attends a transfer at a company only plant then by definition the plant is no longer regarded as a company only plant for that day and rosters will apply accordingly).

(Further Note: transfers between Sydney, Newcastle and Wollongong areas are deemed to be covered by this sub clause).

9.3 Home Plant Transfer

Readymix has the right to transfer the Home Plant status of a Carrier where the needs of the business require that step to be taken.

If Readymix decides to transfer the Home Plant of a Carrier then it will apply the Home Plant Transfer Policy as follows:

READYMIX POLICY ON INTER-PLANT CARRIER LONG - TERM TRANSFER

1. Readymix will from time to time need to make long-term transfers of carriers to another plant so as to:
 - (i) Meet or anticipate market trends;
 - (ii) Enhance customer service;
 - (iii) Ensure that the vehicle configuration in a particular plant is the correct configuration for our market requirements.
2. To ensure that there is a fair and transparent process for the selection of a carrier to accept a long-term transfer Readymix will implement the following procedure:
 - (1) Readymix will identify the type of truck which is required to make the transfer (eg. 6 wheeler or 8 wheeler).
 - (2) Readymix will then seek from the carriers volunteers who will accept the transfer.
 - (3) If a satisfactory volunteer as determined by Readymix cannot be found Readymix will then make a selection of carriers for the transfer based on the following criteria:-
 - Home location of carrier relative to target plant.
 - Impact on utilisation which the transfer will have.
 - Number of previous transfers (if any) which have been effected.

- (4) Readymix will then notify carriers who fit the criteria, again with a view to obtaining a volunteer.
- (5) If no satisfactory volunteer as determined by Readymix is obtained Readymix will make a random selection from those carriers who meet the criteria.

9.4 Transfers Outside Operational Area

If Readymix requires to transfer a Concrete Truck from one Plant to another Plant outside that truck's current Operational Area, Readymix:

- (a) may call for Carriers to volunteer to transfer their truck;
- (b) may select from any volunteers in its absolute discretion; and
- (c) may, in its absolute discretion, require the Carrier to transfer its Concrete Truck and Driver to a Plant outside that truck's current Operational Area whether the Carrier or any other Carriers volunteered to transfer or not, provided that if it would be unreasonable for the usual Driver to drive home at the end of each Working Day, due to the distance of that Plant from the Driver's home, the Carrier is entitled to receive a living away from home allowance in accordance with clause 0 to be paid to the Driver.

Where there are no volunteers Readymix has the right to direct Carriers to transfer outside the Operational Area for no longer than four (4) weeks.

Note: daily transfers between Sydney, Newcastle and Wollongong areas are not covered by this sub clause.

9.5 Disputes

If the Carrier wishes to dispute a proposed transfer the Carrier:

- (a) must transfer its Concrete Truck and Driver to the Plant nominated by Readymix in accordance with this clause 0;
- (b) may dispute the transfer in accordance with the dispute resolution procedures set out in this Determination provided that unless and until there is a resolution of the dispute in the Carrier's favour the Concrete Truck and Driver continues to operate from that nominated Plant.

9.6 Carrier Request

It is always the case that a Carrier may request a transfer in order to obtain an opportunity to access greater cartage opportunities. Readymix will consider any such request at the time the request is made and shall determine its response to the request which will be a matter for the discretion of Readymix.

10. Statutory Requirements and Insurance

10.1 Warranties

The Carrier warrants that at all times whilst delivering concrete and other designated materials pursuant to this Determination, the Carrier and where applicable, any Driver engaged by the Carrier, will comply with all laws and regulations relating to:

- (a) the licensing, driving, operation and maintenance of the Concrete Truck;
- (b) the medical condition of the Driver;
- (c) payment of all fees, licences and taxes, relating to ownership and operation of the Concrete Truck;
- (d) State Occupational Health & Safety;
- (e) State Environmental and Pollution control;
- (f) fatigue management;
- (g) all other matters relevant to the provision of the services pursuant to this Determination including, but not limited to, workers' compensation insurance and superannuation contributions; and
- (h) all laws and regulations pertaining to the employment of persons be they State or Federal laws.

10.2 Additional Warranties

The Carrier further warrants on a continuing basis that:

- (a) the Concrete Truck shall be roadworthy in every respect.
- (b) the Carrier will comply with Readymix's requirements and directions in relation to environmental and pollution issues;
- (c) it will, and shall procure that, the Driver shall be licensed to drive the Concrete Truck and shall not drive whilst under the influence of drugs or alcohol above the legally prescribed limit;
- (d) it will, and shall procure that, the Driver shall observe all speed limits and road traffic directions, drive within prescribed driving hours and comply with logbook requirements;
- (e) the Carrier is a duly established company existing under the laws of Australia and has the power and authority to enter into and perform this Determination;
- (f) the Carrier has the necessary skill and resources to undertake all obligations under this Determination;
- (g) the Carrier will not allow a trainee Driver or substitute Driver to operate the Concrete Truck otherwise than under the supervision of the Driver ordinarily employed or engaged by the Carrier, or if that Driver is unavailable, under the supervision of some other suitably qualified and licensed person;
- (h) the Carrier will perform its obligations under this Determination in a professional manner exercising due care, skill and attention; and
- (i) has provided and disclosed to Readymix all material information necessary for Readymix to make an informed decision as to whether or not the Carrier is a fit and proper entity for entering into this Determination, and that all the information provided to Readymix prior to the execution of this Determination is accurate and complete.

10.3 Insurance

The Carrier must take out and maintain insurance as specified by Readymix from time to time and, as from the Commencement Date must take out and maintain insurance cover for the matters specified in schedule 3. The Carrier will ensure that Readymix's interest in the mixer is noted on the insurance policies nominated in schedule 3.

10.4 Provision To Readymix

The Carrier will allow Readymix to sight original copies of all insurance policies held and all renewal notices in respect of the insurances to be held pursuant to this Determination, and will allow Readymix to take copies of policies and renewal notices for Readymix's records.

10.5 Truck Specification

On an annual basis Readymix shall require each Carrier to provide a copy of a registered Weighbridge certificate relating to the Concrete Truck. Readymix has the discretion to require a Carrier to weigh the Concrete Truck under Readymix supervision if Readymix has any concern about the Truck in question.

11. Loading and Rostering

11.1 Readymix To Nominate Load

Readymix has the right to nominate the load size for each load to be carried from a Plant.

11.2 Carrier To Carry Load

The Carrier must carry any concrete load nominated by Readymix unless that load exceeds the Load Capacity of the Carrier's Concrete Truck.

11.3 Rostering

Readymix shall determine:

- (a) A Cyclic Start Roster as detailed in clause 11.4. The Carrier must contact the Readymix Representative at the Carrier's Rostered Plant at the end of each Working Day to ascertain the Carrier's starting time for the following Working Day in accordance with that Cyclic Start Roster;
- (b) A Roster Off roster listing Concrete Trucks of the same Configuration on a cyclic basis so that Concrete Trucks not required at a particular Plant for particular Working Days or part thereof may be rostered off by Readymix. However, it is acknowledged that the Carrier may elect to have its Concrete Truck remain at a Plant with the possibility of receiving further loads on a particular Working Day even though Readymix has informed the Carrier that its Concrete Truck is not required and is Rostered Off for that day.

11.4 Cyclic Start Roster

Readymix shall maintain a Cyclic Start Roster which, for the first load of each working day, shall vary according to the needs of the business i.e. trucks will be loaded for the first load of the day on the basis of the configuration or type which best suits the business. Thereafter, trucks will be loaded during the day in the order of their respective time of return to the plant subject to the following exclusions:

- (a) The purpose of meeting fatigue management requirements;
- (b) Trucks carrying returned concrete;
- (c) Single loads or messages which are greater than the capacity of the vehicle next in line to be loaded;
- (d) Mini loads; and
- (e) Specialist vehicles (e.g. vehicles carrying a catalytic converter).

11.5 Company Owned Trucks

Vehicles owned by Readymix shall participate on an equal basis in the rosters detailed above where applicable i.e. in plants run as purely Company Truck Plants the rosters detailed above shall not apply. (Note: if a Carrier transfers to a Company Truck Plant then rosters will apply for that day).

12. Fleet Size

Readymix shall have the absolute discretion to vary the size and Configuration of the fleet of concrete delivery vehicles in any manner and for any reason, including, without limitation, by varying the number of Readymix owned vehicles (including the operation of any plant utilising all company owned vehicles) or the carrying capacity or Configuration of vehicles (whether owned by Readymix or by Contractors) that Readymix uses to service its customers' requirements provided however that nothing in this clause gives Readymix the right to direct a Carrier to change the carrying capacity or configuration of the Carrier's vehicle without the consent of the Carrier.

It is acknowledged and agreed that Readymix will operate a Company owned truck fleet and will operate that fleet to maximise profitability at all times i.e. there will be times when the utilisation of the Company Fleet exceeds that of the Carrier Fleet.

13. Availability and Suitable Truck

13.1 Obligation

The Carrier is obliged to provide a manned and serviceable Concrete Truck for the provision of cartage services for Readymix in accordance with this Determination on each Working Day during the term of the Determination. Readymix may in its discretion require a Carrier or Carriers to have fitted a catalytic converter (or similar device) for the purposes of servicing tunnel work. Such supply shall be at the expense of Readymix. Readymix will supply the relevant converter and arrange for it to be fitted provided however that where a fitting of a converter would have the effect of voiding the warranty of the truck manufacturer then Readymix will not proceed with fitting.

13.2 Criteria

- (a) No Concrete Truck or Agitator shall be brought into service by the Carrier for the purposes of this Determination without the prior written consent of Readymix.
- (b) Subject to sub clause (c) hereof the Carrier's Concrete Truck must be capable of taking and be adequately powered to take, a hydraulic Agitator powered from a rear mounted power take-off unit. Where Readymix provides the Agitator, the Carrier's responsibility under this clause will be to provide an accessible bare power take-off shaft. However, any modification to the Concrete Truck to accommodate the hydraulic drive connection to the Agitator shall be at the Carrier's cost.
- (c) Readymix shall approve a Concrete Truck with a front PTO if the Truck is an existing fleet vehicle. Any new or replacement truck must be capable of carrying a rear PTO.

13.3 No Loading

- (a) Without liability to the Carrier, Readymix may refuse to load its Concrete Truck if that Concrete Truck is unregistered, uninsured or, in Readymix's reasonable opinion, defective so as to render its operation unsafe.
- (b) Where Readymix has relied on its right not to load a Concrete Truck on the basis that it is defective, and the Concrete Truck is subsequently shown not to be defective to the satisfaction of the RTA, the Carrier will be paid by Readymix demurrage in accordance with item I of schedule 1 together with any additional statutory charges that the Carrier can establish it incurred.

13.4A Repairs

An unserviceable Concrete Truck must, as soon as practicable, be repaired and returned to the Plant to which the Concrete Truck is assigned. The Concrete Truck's place in the loading order when it returns to the Plant fully repaired, will be in accordance with clause 0 as if the Concrete Truck had returned from delivery of a load of concrete.

13.4 B Detention Time

Where a Carrier is unable to obtain a registration certificate from the RTA due to the fault of the agitator supplied by Readymix, rather than the vehicle of the Carrier, then the Carrier is entitled to be paid Detention Time in accordance with item E of schedule 1 and Unloaded Kilometres to and from the Carriers rostered plant in accordance with item H of schedule 1.

13.5 Notification Of Absence

- (a) Where the Carrier is unavailable to perform services under this Determination, it will arrange for the Readymix Representatives at the Plant to which the Concrete Truck is rostered to be informed at the earliest possible time of the reason and the anticipated period of absence.
- (b) If the Carrier's Concrete Truck is available to perform services under this Determination less than 95% of the Working Days over a Four Quarter period calculated on a Moving Annual Total basis, then the Carrier will be in breach of this Determination and Readymix has the right to take disciplinary action which may include termination of cartage contract. Readymix will take into account special and extraordinary circumstances (eg. Bereavement) when determining what disciplinary action will be taken under this clause.

For the purposes of this paragraph 0, the Carrier's Concrete Truck will be deemed to be unavailable to perform services on a Working Day if the Concrete Truck is unavailable to load and mix concrete at the starting time and Plant designated by Readymix in accordance with the provisions of this Determination, or if the Concrete Truck is not available for more than 2 hours once work has commenced due to genuine breakdown or mechanical failure provided further that the Carrier must have completed the first load of the day in order to have the benefit of the 2 hour period.

Note: This clause will not operate if the unavailability of the Concrete Truck arises by reason of the breakdown of a mixer supplied by Readymix.

13.6 Registration

- (a) The Carrier must provide to Readymix's Representative at least two weeks' prior notice of the date on which the Carrier's Concrete Truck is to be inspected by the relevant State Authority for registration.
- (b) It is the obligation of the Carrier to ensure that its vehicle is in valid registration at all times.

13.7 Minimum Capacity And Configuration

The Carrier must provide a suitable Concrete Truck having the Load Capacity of either 5.6m³ for a 6 wheel vehicle or 7.0m³ for an 8 wheel vehicle. Readymix will provide the Carrier with a Mixer with a rated mixing capacity of at least 6.0m³ for a 6 wheel vehicle and at least 7.4m³ for an 8 wheel vehicle.

13.8 Warranty

The Carrier warrants and agrees that it:

- (a) Is the registered proprietor of the Concrete Truck to be utilised for the purpose of providing services pursuant to this Determination.
- (b) Is entitled to possession and use of the Concrete Truck for the purposes of this Determination; and
- (c) Has not modified its Concrete Truck so as to prevent equipment required by Readymix being fitted or so as to invalidate any insurance.

13.9 Cleaning Of Truck

- (a) The Carrier must ensure that the Concrete Truck is kept clean and tidy to the satisfaction of Readymix. Readymix will monitor the presentation and image of the Concrete Truck to ensure that the appropriate standard is maintained.
- (b) Where Readymix considers the presentation of the Concrete Truck is not to an appropriate standard, the Carrier will be notified that the Concrete Truck must be cleaned to a standard acceptable to Readymix within four days of the date of notification. If after the four day notice period the Concrete Truck remains

unacceptable in its presentation to Readymix, then Readymix can refuse to load the Concrete Truck until such time as its presentation becomes acceptable to Readymix. Any period during which Readymix is loading the Carrier's Concrete Truck pursuant to this clause 13.9(b), will be considered a period of unavailability for the purposes of clauses 5.3 and 13.5b.

13.10 Parking Of Truck

A Carrier's Concrete Truck is to be parked only in places approved by Readymix. The Carrier is responsible for any loss of or damage to Readymix's communication equipment and any Readymix supplied Agitator on the Concrete Truck. Where the Concrete Truck is parked in a place approved by Readymix, the limit of the Carrier's liability for damage to Readymix's Agitator and communication equipment will be that covered by the insurance described in clause 10. Should the Carrier park the Concrete Truck at a place which is not approved by Readymix, then the Carrier will be liable for any loss of or damage to the truck or agitator.

13.11 Technology

Readymix may require that the Carrier fit to the Concrete Truck a speed limiter, tachograph, GPS monitoring or related technology. Such fitting and maintenance will be at the cost of Readymix unless the equipment is deliberately or negligently damaged by the Carrier.

14. Responsibility for Load

14.1 Batching

Readymix will use its best endeavours to ensure that each concrete load provided to the Carrier is batched so that the quantity of water required to adjust the Slump does not exceed 10% of the total water required to bring that load up to the specified Slump.

14.2 No Alteration To Specification Shown On Docket

The specification of each load of concrete shown on the concrete delivery docket issued by Readymix must not be changed by the Carrier after batching.

14.3 Slump

Before leaving the Plant to deliver a load, the Carrier will ensure that the load is properly mixed as required by the written instructions provided by Readymix from time to time and that, immediately prior to discharge, the Slump of the concrete is in accordance with the current issue of Australian Standard AS1379 as varied or replaced from time to time, or work instructions issued by Readymix.

For slump less than 60mm and more than 150mm, Readymix may provide short term technical support at the request of the Carrier to assist and train the Carrier in meeting the slump requirement.

14.4 Change Of Ingredients

Readymix will post on notice boards at the Plant, notice of any intended major changes to the source or type of ingredients used in the concrete batched at the Plant that may change the Slump characteristics of the concrete. If Readymix fails to provide such notification of a change in ingredients, Readymix will assume responsibility for Slump and the Carrier will be paid for all cartage at the full Utilisation Cartage Rate, without penalty.

14.5 Rejection Of Load

- (a) If a load is rejected at a job site because the Slump of the concrete is outside the nominated tolerance described in clause 14.3, or because the Carrier had not complied with that clause, the Carrier will not be paid for the delivery of the load and will be liable for the cost of the raw materials used in the load. Note: If the delivery docket evidences instructions from the customer or Readymix which have affected the slump, or if Readymix resells all of the original load, the Carrier shall not be responsible for the cost of the raw materials used in the load.
- (b) However, if Readymix has restricted the Carrier's ability to adjust the Slump of a load on the job site and:
 - (i) the Carrier is requested by a customer (or a customer's representative) to adjust the Slump of the load; and
 - (ii) Readymix approves such adjustment after discussion with the Carrier; andthe load is subsequently rejected on the basis of water addition or non-compliance with the nominated Slump tolerance, then Readymix will pay the Carrier the cartage rate for the load as if the load had not been rejected.
- (c) if the Carrier is requested by Readymix to adjust or maintain the Slump of a load at a tolerance closer than that specified in the current issue of Australian Standard AS1379 as varied or replaced from time to time, and the load is rejected on the basis of non-compliance, with the nominated Slump tolerance, then Readymix will pay to the Carrier the Utilisation Cartage Rate for the load as if the load had not been rejected.

- (d) In the case of Kerbmaker loads it is the responsibility of the Carrier to carry the load as batched. If the load is out of slump it will not be the responsibility of the Carrier unless the Carrier attempted to adjust the slump.

14.6 Additives

Where an additive is added to the concrete by Readymix or at the customer's request, after the Carrier has adjusted the Slump of the load, the Carrier will no longer be responsible for the Slump of that load.

14.7 Agitator Drum

The Agitator drum must be kept turning at all times when it contains concrete. Whilst being loaded and whilst mixing concrete, the Carrier will maintain Agitator speed at 16 revolutions per minute or as specified by the manufacturer of the Agitator. Agitator speed, whilst the Concrete Truck is in transit, with concrete on board, will be operated by the Carrier at a minimum of one revolution per minute.

14.8 Inspection Of Loads

- (a) The Carrier will procure that its Driver visually inspects each load prior to leaving the Plant and will advise the Readymix Representative at the Plant of any apparent unusual features of the load which may have occurred due to a batching error, equipment failure, contamination or Carrier error.
- (b) The Carrier will not be responsible for irregularities of the load that cannot be detected by visual inspection performed by the Carrier's Driver apart from irregularities arising from non-compliance with the obligations in clause 14.3.

14.9 Topped-up Loads

- (a) Notwithstanding any other provision of this Determination, Readymix will assume responsibility for the quality of a load of concrete where:
- (i) Returned Concrete is to be reused and is more than one and a half hours old by the time it is delivered to a new customer; and
 - (ii) the quantity of Returned Concrete is greater than 0.8 cubic metres; and
 - (iii) the load is topped up with fresh concrete by Readymix at the Plant.
- (b) The Carrier will be responsible for any contravention of the legal load limits applicable to the Concrete Truck in relation to topped-up loads. Readymix will provide the Carrier with the ability to dump any concrete from the topped-up load which would place the Carrier in breach of the legal load limit.

14.10 Practicable Route

In delivering concrete to Readymix customers, the Carrier shall procure that its Driver takes the shortest Practicable Route to and from the Plant. The Carrier shall also procure that its Driver follows any directions provided by Readymix in relation to the shortest Practicable Route to and from the Plant for particular deliveries.

15. Obligations at Delivery

15.1 Signatures For Delivery

- (a) Readymix will issue with each Load a delivery docket showing the details of the load to be delivered by the Carrier and details to be completed by the Carrier at the delivery site. The delivery docket will also have a place for the customer's representative to sign confirming delivery of the Concrete.
- (b) At the job site to which the Carrier delivers a load of concrete, the Carrier shall procure that its Driver will make every reasonable endeavour to obtain all required signatures on the delivery docket for the load, waiting time, surcharges and addition of water and it is the Carrier's responsibility to ensure that each of its Drivers contact dispatch immediately by two-way radio when a problem arises with obtaining a signature from the customer as required by Readymix.
- (c) If a signature or signatures from a specific person is or are required by Readymix, Readymix will be responsible for ensuring that the nominated person is available at the point of discharge at the time of completion of the discharge of the load.
- (d) If a signature or signatures from the customer or its representative on site at the delivery point cannot be obtained then the Carrier's Driver must sign the docket and print his or her name in a legible manner in the appropriate section of the delivery docket as verification that the concrete has been delivered. Failure to complete this process will result in the Carrier not being paid the cartage rate for the delivery.
- (e) The Carrier is required to return all delivery dockets correctly completed for every load to the Plant from which the delivery was made, or the next Plant from which the Carrier next loads, at the time of loading on every Work Day. Failure to return all completed delivery dockets will result in the Carrier not being paid the cartage rates for each delivery docket not received by the Readymix Representative at the Plant.
- (f) The Carrier will not knowingly falsify any details on a delivery docket and in the event of falsification, this Determination may be terminated for breach.

15.2 Payment On Delivery

The Carrier will direct its Driver to comply with the following requirements:

- (a) The Driver will ensure cash or cheques are collected from those customers designated by Readymix as "cash/cheque on delivery" customers for all concrete charges including waiting time, if applicable. All moneys collected will be submitted in full to the Readymix Representative as soon as possible on return to the Plant. The Readymix Representative will sign the Carrier's copy of the delivery docket as recognition of receipt of money.
- (b) The Driver will immediately advise Readymix by two-way radio when a cash on delivery payment is not collected or a dispute arises between the Carrier and the customer.
- (c) The Driver is not required to carry a float for the purposes of providing a change facility.
- (d) The Driver shall take all due care of any money collected until the money is handed to the Readymix Representative at the Plant.
- (e) The Driver is no longer held responsible for the moneys once the Readymix Representative signs the Carrier's copy of the delivery docket recognising receipt of moneys in respect of the relevant customer.

15.3 Job Site Entry

- (a) Where a site is reasonably considered to be unsafe or hazardous to enter then the Carrier is not obliged to attempt delivery of the load.

- (b) The Carrier is expected to make an honest and professional assessment of the site in question before the Carrier concludes that the site is unsafe or hazardous to enter.
- (c) In the case of an unsafe or hazardous site the Carrier must contact the relevant Readymix manager, who must attend the site and determine what action should be taken.
- (d) Providing the Carrier has made an honest and professional assessment of the site the Carrier will be paid cartage for the load in question.

15.4 Bogged Vehicles

- (a) Where the Carrier enters a job site beyond the road kerb line to complete a delivery and the Concrete Truck becomes bogged or is otherwise rendered inoperative as a consequence of such attempted delivery, Readymix will arrange the services of an experienced salvage contractor to extricate the Concrete Truck as soon as possible and shall bear all costs for those arrangements. It is the responsibility of the Carrier to notify the plant immediately that the truck becomes bogged.
- (b) Readymix will ensure that the salvage contractor selected is covered by the appropriate insurance policy to rectify any damage that the salvage contractor may cause to the Concrete Truck during the extraction process. If the Carrier utilises its own salvage contractor then Readymix has no liability whatsoever. Any damage arising will be the subject of the Carriers insurance.
- (c) During this process the Carrier will be entitled to be paid Waiting Time during the normal trading hours (or as otherwise specifically directed by Readymix) provided that the Carrier follows the process detailed in this clause.
- (d) If the Carriers Concrete Truck becomes bogged or inoperative as a direct result of the Carrier's Driver's negligence or any wrongful act by the Driver any Waiting Time will not be payable and all costs associated with the salvage or the loss of concrete will be the responsibility of the Carrier.

15.5 Damage To Property Or Vehicles

- (a) The Carrier shall be responsible for any damage to property arising from or during off-kerb deliveries. The responsibility of the Carrier can be removed if the Carrier obtains from the customer in question a signed form of waiver (approved by Readymix), however the carrier will remain liable at all times for any failure to exercise due care and skill in delivering concrete.
- (b) If the third party property is damaged by the carrier during an off-kerb delivery and the Carrier is responsible pursuant to Clause 15.5 (a) above, then the Carrier must:
 - (i) make good the damage; or
 - (ii) pay appropriate compensation; or
 - (iii) supply a valid insurance claim number to Readymix within seven (7) days of the damage occurring.

If the Carrier fails in its obligations under this sub-clause then Readymix itself can choose to make good the damage or pay appropriate compensation and deduct the reasonable cost thereof from the next payment(s) due to the Carrier.

- (c) The Carrier shall be responsible at all times for any damage occurring to either the vehicle or the agitator which occurs during the making of deliveries of concrete.

16. Site Cleaning

16.1 Carrier's Obligation

The Carrier shall at its own cost, and to the satisfaction of Readymix:

- (a) clean up and remove from Readymix's premises, roadways, customers' sites and public property, any concrete spillage occurring from the vehicle of the Carrier other than spillage which occurs during the loading process;
- (b) immediately report to Readymix any spillage of concrete, any necessity to clean up a site or public property and any damage caused by the concrete spillage.

Note: the obligations of the Carrier under this clause are not intended to create cost and expense to the Carrier in any spillage incident which is very clearly not the fault of the Carrier.

16.2 Reimbursement of Readymix

Where, in Readymix's reasonable opinion, the Carrier:

- (a) has not cleaned up to a standard required by clause 0; or
- (b) has not effected the clean up in a timely manner;

then Readymix may itself undertake the clean up provided it has first notified the Carrier of its intention to do so and afforded the Carrier an opportunity to rectify the matter and Readymix may deduct the reasonable costs of clean up from the next payment(s) due to the Carrier. A Carrier shall not be deemed unavailable while cleaning up under this clause.



17. Breakdowns

Neither Readymix nor the Carrier shall be responsible to each other for any loss resulting from Plant, Agitator or Concrete Truck breakdowns.

18. Communication Equipment

18.1 Readymix To Install

The Carrier will allow installation by Readymix of a two-way radio and such other communication equipment in its Concrete Truck as required by Readymix. All equipment is to be installed by a technician approved by Readymix and will be installed to a professional standard. The installation will include all necessary equipment and will be at no cost to the Carrier. Workshop transfer rates will be paid if the Carrier is required to go to the Workshop.

18.2 Ownership Of Equipment

The two-way radio and other communication equipment installed at Readymix's request in a Concrete Truck remain at all times the property of Readymix. The Carrier will take due care to ensure adequate protection of the equipment from damage and theft.

18.3 Operation And Maintenance

All communication equipment is to be carefully operated by the Carrier in accordance with procedures laid down from time to time by Readymix. Readymix will be responsible for the maintenance of the two-way radio and any other communication equipment which Readymix has installed in the Concrete Truck. The Carrier will make the Concrete Truck and the communication equipment available for the provision of maintenance services at times and places required by Readymix. However, any damage to the communication equipment by the Carrier will be repaired by Readymix at the Carrier's cost.

Readymix will provide to the Carrier at no cost to the Carrier, any and all signage and instructions required to properly operate the equipment installed in the Concrete Truck by Readymix.

18.4 Removal

When the two-way radio and any other communication equipment is removed from the Concrete Truck, Readymix will make good any holes in bodywork to permit installation of the equipment. The Carrier will make the Concrete Truck available to Readymix for removal of the two-way radio and other communication equipment supplied by Readymix upon termination or expiration of this Determination. This clause 0 will survive termination or expiration of the Determination.

19. Provision of Agitator

19.1 Provision

Readymix, will provide and maintain the Agitator unless by mutual agreement the Carrier provides and maintains the Agitator. In any event, the Agitator must meet the requirements of section 3.4 of Australian Standard 1379 of 1997 as varied or replaced from time to time.

19.2 Fitting Of Agitator

- (a) Where Readymix provides the Agitator, Readymix will ensure the safe and proper initial fitting of the Agitator to the Concrete Truck and that it will be in accordance with the specifications of the Concrete Truck and the manufacturer of the Agitator.
- (b) If an Agitator is required by Readymix to be removed at any time for any reason, the total cost of the Agitator's removal and replacement shall be borne by Readymix. Provided it has gained prior approval of Readymix, a Carrier may remove the Agitator and the costs of removal and replacement will be borne by the Carrier.
- (c) After the initial fitting of the Agitator, the Carrier will be responsible for the Agitator being properly secured to the Concrete Truck. If the agitator is not properly secured the Carrier must inform Readymix immediately and Readymix will then be responsible for making it secure. The Carrier will be responsible for all minor maintenance as defined in clause 1.1 Definitions.
- (d) The Carrier will be responsible for meeting all costs associated with the repair or replacement of the Agitator where it has been damaged. Repairs or replacement must be carried out within a reasonable timeframe as required by Readymix, and to the reasonable satisfaction of Readymix.

19.3 Removal Of Agitator

- (a) Where Readymix owns the Agitator, it remains the property of Readymix and on termination or expiration of this Determination, will be removed by Readymix on the day and at a location nominated by Readymix. If the removal is not completed in one day the Carrier will be entitled to demurrage in accordance with Item I of schedule 1.
- (b) The Carrier will be paid the amount specified in item H of schedule 1 to travel to the place nominated by Readymix for removal of the Agitator.
- (c) This clause 0 shall survive termination or expiration of this Determination.

19.4 Agitator Provided By Carrier

- (a) The provisions of this clause 19.4 apply where the Agitator has been supplied by the Carrier.
- (b) Unless otherwise agreed, any Agitator supplied by the Carrier must at the time of supply be new, unused and with the manufacturer's compliance plate dated not earlier than six months prior to the Commencement Date.
- (c) An Agitator supplied by the Carrier will have a rated mixing capacity as designated by Readymix and be strictly in accordance with the Readymix's specification for Agitators issued from time to time. The Agitator shall be securely fitted to the Concrete Truck in accordance with the Concrete Truck's and the Agitator's manufacturer's specifications. The Carrier will meet all costs associated with provision and fitting of the Agitator.
- (d) After giving reasonable notice to Readymix, the Carrier may, with Readymix's prior consent, replace the Agitator with another Agitator of the same Configuration which is new at the time of supply, unused and with a manufacturer's compliance plate dated no earlier than six (6) months from the date of notice to Readymix pursuant to this paragraph.

19.5 Cleaning Of Agitator

- (a) The Carrier will thoroughly wash out the Agitator and will keep all external surfaces clean and treated as required by Readymix.
- (b) All cleaning materials and equipment necessary for cleaning of the Agitator will be supplied by Readymix and Readymix will ensure compliance with any and all statutory requirements and regulations relating to the use of these cleaning materials.
- (c) Where Readymix considers the presentation of the Agitator not to be to an appropriate standard, the Carrier will be notified in writing that the Carrier must within four days bring the Agitator up to a standard acceptable to Readymix. If after four days' notice the Agitator remains in a state that is unacceptable to Readymix, then Readymix may refuse to load the Carrier's Concrete Truck until such time as the Agitator becomes acceptable to Readymix. Any period during which Readymix is not loading the Carrier's Concrete Truck pursuant to this clause 19.5(c), will be considered a period of unavailability for the purposes of clauses 5.3 and 13.5(b).

19.6 Maintenance Of Readymix Supplied Agitator

- (a) This clause 0 applies in circumstances where Readymix has supplied the Agitator.
- (b) Readymix will be responsible for all major maintenance to the Agitator, in accordance with the Agitator's manufacturer's recommendations.
- (c) The Carrier shall report any and all apparent requirements for maintenance of the Agitator to the Readymix Representative. The Carrier will be responsible for all minor maintenance as defined and as described in written procedures provided by Readymix to the Carrier from time to time. Subject to clause 0, all parts, tools, materials and equipment for maintenance of the Agitator will be supplied by Readymix.
- (d) When required by Readymix, the Carrier will convey the Agitator to a workshop for repairs and/or maintenance as requested by Readymix. All work will be completed as soon as practicable provided however that if the work is not completed within seven (7) calendar days then the Carrier shall be paid demurrage in accordance with item I of schedule 1 for each additional day. Where the Carrier is required to convey the Agitator to a workshop for repairs in accordance with this clause, the Carrier will be paid an amount as specified in item H of schedule 1. In such circumstances where the Carrier is required to spend more than four hours at the workshop, Readymix will also provide a means, at Readymix's cost, for conveying the Carrier's Driver to his/her place of residence or the Plant whichever is the lesser distance and returning him/her to the workshop as required.

19.7 Maintenance Of Carrier Supplied Agitator

- (a) This clause 0 applies where the Agitator has been supplied by the Carrier.
- (b) The Carrier is responsible for all maintenance associated with the Agitator. All maintenance shall be carried out strictly in accordance with the Agitator's manufacturer's recommendations and programs, the requirements of Australian Standard 1379 of 1997 (as varied or replaced), and to the absolute satisfaction of Readymix provided that at all times Occupational Health and Safety laws shall be observed.
- (c) Readymix shall have the sole right to instruct the Carrier to undertake any and all repairs and/or maintenance of the Agitator to ensure Readymix's operational standards as established from time to time are met. Such repairs and maintenance shall be undertaken at the Carrier's cost without delay and within the timeframe specified by Readymix.
- (d) Readymix shall have the right to refuse to load the Carrier's Concrete Truck where Readymix required repairs and maintenance to the Agitator have not been completed by the time required by Readymix. Any period during which Readymix is not loading the Carrier's Concrete Truck pursuant to this clause 0, will be considered a period of unavailability for the purposes of clauses 0 and 0.

20. Manning

20.1 Obligation

The Carrier must supply a Concrete Truck and Driver to mix, transport and deliver concrete for Readymix as and when required by Readymix. Where Readymix becomes aware that the requirements of its business may necessitate extended hours for delivery of concrete or other designated material, it shall provide the Carrier with reasonable notice of the extended hours so that the Carrier can ensure the Carrier meets its obligations under fatigue management legislation.

20.1A The Driver shall be permanent operator of the vehicle except on a period of absence approved by the Principal Contractor.

20.2 Leave

Readymix may require the Carrier to provide a substitute Driver during any period of leave. Any substitute Driver must be approved by Readymix in accordance with clause 20.3. Where Readymix requests that a Carrier supplies a substitute driver during a leave period (eg. Christmas) then Readymix will pay the shortfall between the labour cost component of the utilisation rate paid for cartage in the relevant period and the labour cost of the substitute driver for the same period.

20.3 Approval

- (a) The Carrier must obtain Readymix's prior approval, for each substitute Driver employed or engaged by the Carrier.
- (b) In considering whether to give such approval, Readymix shall take into account, without limitation, the following matters:
 - (i) the person's ability to competently operate all the equipment requested and maintain good customer relations.
 - (ii) the person's standard of efficiency in particular the ability to slump a load of concrete.
 - (iii) proof that the substitute driver has a valid and appropriate drivers licence.
- (c) The Carrier will be responsible for providing from its proposed Driver any form of consent required by Readymix to receive and review personal information relating to the Driver so as not to place either the Carrier or Readymix in breach of relevant privacy legislation.

20.4 Nominated Driver

The Carrier's nominated Driver will not be replaced without the prior written approval of Readymix. A Driver's replacement during periods of absence from the Carrier's employment or engagement must also satisfy Readymix in relation to the matters addressed in clause 20.3 (b) and (c) unless otherwise agreed.

20.5 Compliance With Determination

- (a) The Carrier must procure that a Driver engaged or employed by the Carrier is made aware of the Carrier's Service Obligations under this Determination, and of Readymix's rights under this Determination, and that the Driver complies with the Carrier's Service Obligations under this Determination, and respects Readymix's rights, as if the Driver was the Carrier.

- (b) For the sake of clarity, where this Determination requires the Carrier to perform some obligation or task that in practice is logically to be performed by the Carrier's Driver (including Carrier Service Obligations), the Carrier will, without diminishing the Carrier's primary responsibility for that obligation, procure that the Driver performs the relevant obligation or task. Any failure by the Driver to perform any such obligation or task shall be construed as a failure by the Carrier.

20.6 Provision of Documents

The Carrier will itself, and will procure, that the Driver provides to Readymix on demand, or within such period as may be nominated by Readymix, a true copy of:

- (a) in respect of the Driver, the Driver's current driving licence, from time to time;
- (b) all certificates of insurance required by this Determination to be held by the Carrier;
- (c) the current registration and roadworthy certificates relating to the Concrete Truck from time to time; and
- (d) any other documentation which is required by Readymix to meet State or Federal legislation or required by Readymix to reduce Readymix's liability under State or Federal legislation.

Failure by the Carrier or the Driver to comply with this clause will entitle Readymix to refuse to load the Carrier's Concrete Truck until compliance occurs and, (for the purpose of avoiding doubt) to treat the non-compliance as a breach of this Determination entitling Readymix to serve a notice of breach. Any period of non-loading in accordance with this clause shall be treated as a period of unavailability for the purpose of clauses 5.3 and 13.5(b).

20.7 Immediate Notification

The Carrier and the Carrier's Driver are to immediately notify Readymix if the Driver is disqualified from driving the Concrete Truck or, if the Carrier's insurance policies required by this Determination are not renewed.

21. Fuel and Oil

- (a) The Carrier is responsible for providing the fuel to operate the Concrete Truck including the Agitator.
- (b) Where Readymix provides the Agitator to the Carrier, Readymix is responsible for providing oil and grease for operation and lubrication of the Agitator.
- (c) Where the Carrier provides the Agitator, the Carrier will be responsible for providing oil and grease for operation and lubrication of the Agitator at its cost.

22. De-Dagging

- (a) It shall be the responsibility of the Carrier to ensure that de-dagging is carried out regularly so that the Agitator is always in a state which is satisfactory to Readymix
- (b) The Carrier has the responsibility to ensure that de-dagging is only ever performed by a licensed contractor or other suitably trained and qualified person and performed in a safe manner at all times.
- (c) Should the Carrier wish to carry out de-dagging on Readymix property all Readymix procedures and policies must be adhered to.
- (d) Readymix shall have the right to refuse to load a Concrete Truck where de-dagging to the satisfaction of Readymix has not been completed.

23. Painting and Sign Writing

23.1 Painting Of A New Truck

A New Truck supplied by the Carrier at the commencement of this Determination and whenever replaced will be painted in Readymix's corporate livery. The responsibility for painting the cab, chassis and wheels of the Concrete Truck in the correct Readymix corporate livery is the responsibility, and at the cost, of the Carrier at the point the Truck is introduced to the fleet.

23.2 Painting Of Agitator

Where the Carrier supplies the Agitator at the commencement of this Determination or subsequently, the Carrier shall be responsible for arranging and meeting the cost of painting the Agitator in Readymix's corporate livery.

23.3 Finish

The painting required by this clause 0 is to be undertaken by a recognised truck painting contractor approved in advance by Readymix, and the standard of finish is to be not less than that provided by tradesmen specialising in this field.

23.4 Repainting

The Concrete Truck and any Readymix supplied agitator are to be repainted at the cost of Readymix at a time deemed appropriate by Readymix. The Carrier shall be responsible for the preparation of the chassis of the truck prior to repainting (eg. sandblasting). The Carrier shall make the truck available at the reasonable request of Readymix and at no cost to Readymix for the repainting to be completed. If painting is not completed within seven (7) calendar days then the Carrier shall be paid demurrage in accordance with item I of schedule 1 for each additional day.

24. Commitment to Training

24.1 Commitment

The Parties recognise the mutual benefits to be gained through a greater commitment to safety and production training. Accordingly, each Party commits itself to appropriate training programs in order to increase the competitive performance and safety performance of Readymix and the Carrier.

24.2 Cost And Amount

Readymix will have the right to require a representative of the Carrier and the Carrier's Driver to attend training sessions each year in matters determined as relevant by Readymix. The training will be at no cost to Readymix and will be limited to twenty four (24) hours per annum provided that if 24 hours is not reached in one year the unused balance may be added to the next year but there shall be no further accumulation beyond that. The training referred to in this clause 0 is in addition to the training referred to in clause 0.

24.3 Driver Training

For drivers who are new to the company or in cases of existing Drivers whose skill basis is considered by Readymix to be inadequate, Readymix may require such Drivers to spend up to three weeks' training to operate the Concrete Truck and in Slump control of concrete. This training will include a period of up to three days in Readymix's Quality Control Laboratory under the supervision of a Readymix tester, and at least one day in Dispatch to understand Dispatch status and communications requirements.

- (a) Readymix will provide appropriate personnel and equipment (excluding the Concrete Truck and a Driver Trainer) for the purpose of providing the training. At the conclusion of the three week training period, the relevant Drivers employed or engaged by the Carrier will be assessed by Readymix in respect of the Driver's performance and technical ability for the purposes of clause.20.3.
- (b) Where a Carrier attends training at a venue away from the Carrier's rostered plant then the Carrier will be entitled to be paid a kilometre based travel allowance for the distance between the rostered plant and the training venue. The allowance shall be the kilometre rate specified in Item J of schedule 1.

25. Occupational Health and Safety

25.1 Safety Improvement Teams

Readymix will establish Safety Improvement Teams consistent with Occupational Health & Safety (OH&S) legislation and Readymix policies. A representative of the Carrier will, and the Carrier's Driver(s) will participate fully in, and periodically lead, the Safety Improvement Team in rotation with other representatives of other Contractors and Readymix, and will also attend such other safety meetings (eg. a Tool Box Meeting) specified by Readymix. Carriers involved in SIT meetings will be paid at the rate specified in Item F of schedule 1.

25.2 Safety Inductions

The Carrier and its Driver(s) will attend all appropriate Readymix and delivery site safety inductions and safety training as required by Readymix and its customers and provide current documentation required in this regard by Readymix or Readymix's customer. Such attendance will be at no cost to Readymix.

25.3 Determination

The parties agree that Readymix, the Carrier and any Driver engaged by the Carrier will comply with:

- (a) Relevant OH&S legislation in relation to the provision of services pursuant to this agreement;
- (b) Readymix Safety Health & Environment Policies issued from time to time by Readymix;
- (c) Readymix Safe Work Method Statements and Procedures; and
- (d) The requirement that all Readymix issued Personal Protective Equipment shall be worn as required by Readymix whilst a Carrier is providing cartage services under this Determination.



26. Drivers Room

- (a) The Drivers Room provided by Readymix at Plants for use by the Carrier are to comply with all relevant provisions of the State Workplace Health & Safety legislation
- (b) All Carriers will participate equally in keeping Drivers Rooms clean and tidy at all times.

27. Carrier's Equipment

27.1 Storage

Subject to Readymix's prior approval, Readymix will provide to the Carrier at the Plant from which the Carrier operates from time to time, sufficient space for the storage of no more than two (2) spare tyres for the Concrete Truck. No other equipment is to be stored by the Carrier on Readymix premises without the written approval of Readymix. Readymix can remove from its premises other Carrier equipment that has not been approved and charge the Carrier for removal and disposal costs.

27.2 Marking

Any tyres stored by the Carrier in accordance with this clause must be marked so identification will match the tyres to a fleet number for the Carrier's Concrete Truck. If tyres or other equipment belonging to the Carrier exceeds the quantity of Carrier equipment for which Readymix has given approval for storage, or in circumstances where Readymix cannot identify ownership of stored equipment, Readymix has the right to remove the excess equipment and to dispose of it appropriately. Readymix will give at least 48 hours notice where removal is required.

27.3 No Liability

Readymix will not be liable to the Carrier for any loss or damage to the Carrier's equipment stored at a Plant or other Readymix premises.

28. Uniforms and Personal Protective Equipment

28.1 Readymix To Provide

Readymix will provide uniforms for each Carrier and will supply personal protective equipment (PPE) that meet Readymix's specified uniform and clothing requirements and the relevant Australian Standard for PPE. Changes to Readymix's policies regarding clothing and PPE will be issued to the Carrier from time to time and the obligations in this clause 0 relate to the latest version of the specifications issued from time to time by Readymix.

28.2 Uniform To Be Worn

The Carrier will ensure that the principal Driver wears the Readymix uniform and the relief Driver is appropriately attired.

29. Emergencies and Incidents

29.1 Carrier To Follow Readymix Procedures

The Carrier and its Driver will comply with the emergency procedures specified by Readymix from time to time.

29.2 Reporting Incidents

The Carrier shall immediately advise Readymix of any incident, including any near miss, whether or not involving injury to people or damage to property or the environment, or any accident involving the delivery of concrete or the Concrete Truck, by contacting the Readymix Representative at the Plant from which the Carrier is working on the day of the incident.

29.3 Investigation

The Carrier will provide all reasonable assistance to Readymix in relation to any Readymix investigation of an incident of the kind referred to in clause 0.

29.4 Reporting Defects, Loss Or Theft

A Carrier will report to a Readymix representative immediately any damage, defect, loss or theft relating to the Carrier that is relevant to the performance of its obligations under this Contract, Readymix, or the Plant or Readymix equipment at the Plant.

30. Dealings with Customers

The Carrier acknowledges that Readymix's business and the Carrier's income is directly related to the way in which the Carrier interacts with customers of Readymix. Consequently, the Carrier will, and will ensure that its Driver(s) will, always:

- (a) interact with customers in a courteous and helpful manner;
- (b) report immediately to Readymix any customer complaint made to the Carrier or its Driver(s);
- (c) wherever possible, comply with reasonable and lawful customer requirements in relation to delivery of concrete to the customer; and
- (d) not do anything which is likely to lead to dissatisfaction on the part of the customer with the service provided by the Carrier or the quality of the concrete delivered.

31. Compliance with Policies

31.1 Obligation

The Carrier will comply, and will ensure that its Driver(s) complies with, the fairness and respect policy set out in schedule 4 to this Determination. Failure to comply with schedule 4 may result in termination of this Determination for breach.

31.2 Operational Procedures

Readymix will provide the Carrier with a written procedure relating to the delivery of concrete. The procedure will comply with all requirements of relevant legislation including environment protection legislation and associated local government environmental licence conditions policies and guidelines. The Carrier will be responsible for compliance with Readymix's written procedures by the Carrier and its Driver(s) and the Carrier's duty of care as detailed in the relevant legislation.

32. Dispute Resolution

- (a) In the event of a dispute relating to this Determination, the Carrier and the Readymix Representative at the relevant Plant from which the Carrier is operating at the time that the dispute arose, will, within 48 hours of the dispute arising, meet to seek to resolve the dispute.
- (b) If the dispute is not resolved within the following five (5) Business Days (or such longer period as may be agreed), a Director of the Carrier will, within a further two (2) Business Days, meet with Readymix's General Manager for the Relevant Operational Area to seek to resolve the dispute. The Carrier may seek union representation at the discretion of the Carrier.
- (c) If the dispute is not resolved within the following five (5) Business Days, then either Party has the right to refer the matter to the Industrial Relations Commission of New South Wales. It shall be at the discretion of the Carrier as to whether the Carrier seeks the assistance of the Transport Workers Union of Australia New South Wales Branch.
- (d) The time frames contained in this procedure are intended as general guides rather than literal requirements.
- (e) It is understood and accepted by all parties that work shall continue normally during all aspects of this Disputes Procedure.

33. Termination of Contract

33.1 Termination By Readymix Without Compensation

Readymix has the right to terminate the Contract of a Carrier without compensation to the Carrier where:

- (a) The Carrier or its Driver has committed an act of serious misconduct (which shall include but not be limited to theft, violence or violent threats, fraud, etc); or
- (b) Persistent performance failures notified to the Carrier; or
- (c) Serious or persistent safety or environmental breaches by the Carrier or its driver and notified to the Carrier.

33.2 Termination By Readymix With Compensation

Readymix may terminate the Contract of a Carrier without cause in the following manner, and subject to the following conditions set out in this clause 0:

- (a) Readymix can terminate this Determination by providing to the Carrier written notice of termination as detailed in sub clause (b) hereof;
- (b) In the event of termination under this clause Readymix shall give to the Carrier twelve (12) weeks notice which may be worked or paid wholly or partly in lieu. At the end of the notice period (or upon payment of the in lieu portion) Readymix shall pay to the Carrier the amount specified within the terms of the following scale:

A. CATEGORY A AND B CONTRACTS

Year of Termination	1	2	3	4	5	6	7	8	9	10
\$ Amount Payable	\$60K	\$60K	\$50K	\$40K	\$30K	\$25K	\$20K	\$20K	\$15K	\$10K

B. CATEGORY C CONTRACTS

Year of Termination	1	2	3	4	5	6	7
\$ Amount Payable	\$40K	\$30K	\$25K	\$20K	\$20K	\$15K	\$10K

- (c) The Carrier and the TWU acknowledge and agree that the compensation provided under this Determination is adequate and no action by the Carrier or the TWU will lie under the *Industrial Relations Act 1996* (NSW).

33.3 Termination By Carrier

At any time during the term of this Determination the Carrier may terminate its contract by providing Readymix with a minimum of twelve (12) weeks notice of termination.

34. Assignment of Determination

34.1 Assignment By Carrier

- (a) The Carrier may not assign its rights or obligations under this Determination without the prior written consent of Readymix.
- (b) If the Carrier wishes to assign the balance of the term of the cartage contract granted under the provisions of this Determination at any time after the first twelve (12) months from the Commencement Date, the following procedures shall apply:
 - (i) The Carrier shall first give notice in writing to Readymix of the Carrier's desire to assign the balance of the term of the cartage contract;
 - (ii) If Readymix wishes to do so, Readymix may acquire the balance of the term of the cartage contract, by providing to the Carrier a written notice pursuant to this clause and tendering to the Carrier payment in a sum equal to the amount that would be payable by Readymix to the Carrier at the time of giving the notice under this clause as if Readymix were terminating the cartage contract in accordance with the provisions of clause 0. The Carrier acknowledges that it is not entitled to any payment for goodwill arising in relation to this Determination as a result of any acquisition of the balance of the term of the cartage contract by Readymix in accordance with this clause 0.
 - (iii) If Readymix does not serve the notice and tender the payment in accordance with paragraph 0 within the 30 day period, the Carrier may assign the balance of the term of the cartage contract to any other corporate entity approved by Readymix, and which is prepared to execute a contract with Readymix for the provision of the relevant services for the balance of the term of the cartage contract with the Carrier.
 - (iv) In seeking approval from Readymix to assign the balance of the term to another entity, the Carrier will ensure that the proposed assignee provide such information as Readymix may reasonably require in relation to the proposed assignee. For the avoidance of doubt, it is acknowledged that Readymix may refuse to approve a proposed assignment if it is not provided with the information required in relation to the proposed assignee or if, having been provided with information about the proposed assignee, Readymix is not satisfied with the ability of the proposed assignee to provide services to the standards required by Readymix.

(c) Carriers with 12 or more years of service

A Carrier who has been continuously contracted to Readymix (or CSR Ltd) for a period of twelve (12) or more years as at the date of commencement of this Determination has the right to seek to assign the balance of the term of its cartage contract to any purchaser on the open market and in such a case Readymix will forego its option to purchase the cartage contract provided for in clause 34.2 (b) (ii) above if the Carrier concerned has a demonstrated history of good performance with Readymix and its predecessor in title. Provided however that it is agreed between the parties that the operation of this clause will be restricted to the following maximum number of Carriers:

First year of this Determination:	twelve (12) Carriers.
Second year of this Determination:	up to (12) Carriers subject to the number of other Carriers exiting the fleet in that year.
Third year of this Determination:	twelve (12) Carriers.
Fourth year of this Determination:	six (6) Carriers

After the end of the fourth year of this Determination this sub-clause (d) shall cease to operate.

34.2 Deemed Assignment

For the purposes of clause 0, a transaction that would involve a change in control of the Carrier will be deemed to be an assignment of rights and obligations under this Determination. For the purposes of this clause, a change in control includes the power (whether it is legally enforceable or not) to control, whether directly or indirectly, the composition of the Board of Directors of the Carrier, the voting rights of the majority of the voting shares of the Carrier, or the management of the affairs of the Carrier.

35. Deductions

Where Readymix has the right under this Determination to deduct any amount from monies it is obliged to pay to a Carrier then such right shall not be exercised (except in the case of a recovery of an overpayment) unless Readymix gives seventy two (72) hours notice to the Carrier concerned. If the deduction is disputed by the Carrier then the Disputes Procedure may be invoked in which case no deduction shall be effected until the Disputes Procedure has been completed.

SCHEDULE 1

SURCHARGES

Concrete Cartage Agreement

Symbol	Title	5500	6600
		Rate 6 Wheel Truck	Rate 8 Wheel Truck
A	Mixing in Yard Fee (\$/m3) = Load fee only "O" at current MAT utilisation @ minimum 2m3	\$14.69	\$13.40
B	Standby time (\$ per half hour) TI Weekly casual rate divided by 38 per half hour	\$17.12	\$17.93
C	Call out fee = 8 times standby payment "B" ie. 4 hours standby	\$136.98	\$143.45
D	Delivery outside normal hours (\$/m3) = TI Weekly casual rate divided by 38 multiplied by 1.25 divided by average load	\$4.28	\$3.74
E	Detention time (\$/hr) = Demurrage "I" divided by 7.6, Maximum 7.6 hours per day	\$36.36	\$40.16
F	SIT Payment = Grade 5 ME Weekly rate divided by 38	\$14.47	\$14.47
G	Waiting time (\$/minute) = Truck hire "K" divided by 60	\$1.38	\$1.55
H	Unloaded kilometres (\$/km) = Total running cost / total kilometres @ baseline utilisation	\$1.25	\$1.44
I	Demurrage (\$/Day) = Total Fixed, Ownership & Overhead Cost divided by 268 (safety net days)	\$276.34	\$305.18
J	Travel cost rate (Personal Vehicle) (\$/km) = Australia Taxation Office kilometre rate	\$0.61	\$0.61
K	Truck hire (\$/hour) = Average load @ average lead @ baseline productivity less 10%	\$83.07	\$93.12
L	Sunday delivery (\$/m3) = TI Weekly casual rate divided by 38 multiplied by 2 divided by average load	\$6.85	\$5.98
M	Public holiday delivery (\$/m3) = TI Weekly casual rate divided by 38 multiplied by 2.5 divided by average load	\$8.56	\$7.47
N	Adjacent Transport Fee (\$/m3) = Load fee only "O" at current MAT utilisation @ minimum 3m3	\$14.69	\$13.40
O	Load Fee Only (\$/m3) = Load fee at current MAT utilisation	\$14.69	\$13.40

SCHEDULE 2

Utilisation Cartage Rates And True Cost Formula

Calculation Of Six Wheel Concrete Truck (New Truck) True Cost Utilization Cartage Rates			
Schedule 2:			
CPI Indices			
Base Index – December Quarter 2004	143.6	F(1)	Sydney Consumer Price Index (All Groups Index) December Quarter 2003
Index at review	143.6	B	
Productivity			
Volume (m3/truck/year)	5500	F	Baseline Productivity for Rate Calculation Current average carted m3 – Sydney Metro Current average – Sydney Metro
Average load (carted m3)	5.00	D	
Average lead (km)	9.24	D	
Trips/year	1100	X	
Paid km/year	10164	X	
Paid km/total km ratio	50%	F	
Total km/year	20328	X	
Labour			
TI Weekly rate (\$)	\$565.80	TI	Transport Industry State Award used for casual labour calculations only Mixed Enterprises Award used for all other labour calculations
ME Weekly Rate	\$543.86	ME	
Weeks / Year	50	F	Award hours per week @ 7.6 hours per day
Hours / Week	38	F	
Hourly Rate	\$14.31	X	
Normal time wages (\$)	\$27,193	X	
Award Allowances			
Slump Allowance per week	\$17.85	ME	Includes 15% plus 1/12 loading @ TI Award Rate & includes slump allowance
Total Allowances	\$892.50	X	
Casual labour for 2 weeks leave + 1 week sick	\$2,275	TI (X)	
Total casual labour (\$)	\$2,275	X	
No of weeks overtime worked	40	F	1.5 hours/week day @ time & half
Equiv normal time hours/week	11.25	F	
No of week Saturdays worked	40	F	
Equiv normal time hours/Sat	12.00	F	2 hours @ time & half plus 4.5 hours @ double time per Saturday

Overtime cost (\$)	\$13,310	X	8% of normal time wage + allowances + casual hours according to statutory requirements at time of rate calculation Per statutory requirements 6.535%% of all income per statutory requirements Industry Code 263300 6.35% + dust diseases rate 0.165%
Labour (on costs)			
Superannuation (\$)	\$2,732	B (X)	
Long service leave (\$)	\$471	ME (X)	
Leave loading (\$)	\$543.86	ME (X)	
Workers comp insurance (\$)	\$3,099	B (X)	
Total labour on costs (\$)	\$6,846	X	
TOTAL LABOUR COST (\$)	\$50,518	X	
“FIXED COST” LABOUR (\$)	\$50,518	X	

Ownership & Overhead Costs			Truck Mack Metroliner, Auto, Airbag, Alloy Wheels \$127,538
Financing contribution (\$)	\$16,745	F(2)	Rate n/a 7 Year lease from GE, 30% residual, buyout truck & finance @ year 8 – year 10 (7.5% interest), 15% truck value
Stamp duty on truck purchase (\$)	\$421	F(3)	4209 3% @ end of year 10
Reg'n, CTP insurance	\$2,778	B (X)	Amortized over 10 years, on truck price including GST
Insurance excl workers comp (\$)	\$1,990	B (X)	
Administration costs (\$)	\$3,250	C	Truck registration \$1,080 CTP ins.* 1698 Annual payment
Total O & O Costs (\$)	\$25,184	X	Truck \$1,447 Public Liability \$330 Agitator \$213
			Accounting Fees for Annual Return & Quarterly BASS \$2500, ASIC filing fees \$200, bank fees \$120, misc expenses \$400, weighbridge cert \$30 *Truck registration based on Mack Metroliner * All insurances based on competitive quote
Running Costs			All Running Costs GST EXCLUSIVE
Fuel – based on km travelled			
Fuel Cost (\$/litre)	\$0.68	B	BP Card Rate Metro Sydney - three month average Steven Todd 02 97954800
Total km travelled	20328	X	Fuel numbers 0.9567 Rebate 0.18510
Fuel consumption (litres/100km)	66.0	F	km/l 1.52
Truck fuel cost (\$)	\$9,185	X	

Repairs & servicing – all time based			
Routine services per year	8	F	Mack 'A','B','C' 450 Hour Service Schedule, 'O' Inspection every 225 hours, 1800 hours per year Cost of 4 x 'O' Inspections, 2 x 'A' Services, 1 x 'B' service, 1 x 'C' service per year at Mack Authorised Repairer
Routine service cost per year (\$)	\$3,412	B	
PTO Inspection workshop hours per year	1	F	Annual PTO Inspection conducted at Mack 'C' Service @ Workshop Hourly Rate
PTO inspection cost per year (\$)	\$69	X	
Minor R & M (hours/week)	1	F	Mack dealer or approved Mack repairer workshop rate
Truck working weeks/year	50	F	
Workshop cost (\$/hour)	\$69	B	
Mechanic cost as % Workshop cost	45%	F	
Mechanic cost (\$/hour)	\$31.05	B	
Minor R & M cost per year	\$1,553	X	
Provision for major R & M (\$)	\$3,000	C	
Minor jobsite related damage (\$)	\$200	C	All components including PTO
Total servicing, R & M cost (\$)	\$8,233	X	
Tyres - based on km travelled			
No. of new tyres - radial steer	1.4	F	Expected Life 30,000 Kumho KRA01 11R22.5 or equivalent
Cost of new tyre (\$ each)	\$430	B	
Cost of new tyres (\$)	\$583	X	
No. of recaps - rear drive	6.0	F	Expected Life 27,000
Cost of recaps (\$ each)	\$141	B	
Cases	2	F	
Cost of cases (\$ each)	\$80	B	
Cost of recaps (\$)	\$1,009	X	
Expected no. of punctures	6	F	
Cost of puncture repair (\$ each)	\$30	B	
Cost of punctures (\$)	\$180	X	

Wheel Alignment no. per year	1	F	
Wheel Alignment cost (\$ each)	\$127	B	
Tyre Disposal Fees per year	2	F	
Cost per Tyre Disposal	\$15	B	
Total Disposal Cost	\$30	X	

Total tyre cost (\$)	\$1,929	X	
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No dedagings per year	2	F	
Total Contractor Hours per Dedag	4	F	Allowance for two contractors
Dedagging Contractor Hourly Rate (\$)	\$80	B	
Dedagging Allowance (\$)	\$640	X	
Running Cost Allowance	\$600	F	Factor for all additional requirements ie. Blocks, bag addition, mixing, washouts, dry outs, truck to truck transfers, RTA Inspections etc
Profit Component (50% of 5500 MAT Profit)	\$5,005	F	
TOTAL RUNNING COSTS (\$)	\$25,592	X	
Total running cost (\$/m3/paid km)	\$0.50	X	

PAID RATE (\$/m3/paid km)	\$0.50	X	Rounded to nearest whole cent
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	PRODUCTIVITY (m3/truck/year)										
	3000	3100	3200	3300	3400	3500	3600	3700	3800	3900	4000
"Fixed Cost" Labour (\$)	\$50,518	\$50,518	\$50,518	\$50,518	\$50,518	\$50,518	\$50,518	\$50,518	\$50,518	\$50,518	\$50,518
Ownership & Overhead Cost (\$)	25,184	25,184	25,184	25,184	25,184	25,184	25,184	25,184	25,184	25,184	25,184
Total Fixed, Ownership & Overhead Cost (\$)	75,702	75,702	75,702	75,702	75,702	75,702	75,702	75,702	75,702	75,702	75,702
Total Fixed, Ownership & Overhead Cost (\$/m3)	\$25.23	\$24.42	\$23.66	\$22.94	\$22.27	\$21.63	\$21.03	\$20.46	\$19.92	\$19.41	\$18.93
Running cost (\$) @ \$/m3/km rate \$0.50	13,860	14,322	14,784	15,246	15,708	16,170	16,632	17,094	17,556	18,018	18,480
LOD OPERATING COST (\$)	\$89,562	\$90,024	\$90,486	\$90,948	\$91,410	\$91,872	\$92,334	\$92,796	\$93,258	\$93,720	\$94,182
LOD OPERATING COST (\$/m3)	\$29.85	\$29.04	\$28.28	\$27.56	\$26.89	\$26.25	\$25.65	\$25.08	\$24.54	\$24.03	\$23.55
PROFIT/VOLUME INCENTIVE (\$/m3) F	\$0.22	\$0.26	\$0.30	\$0.34	\$0.38	\$0.42	\$0.46	\$0.50	\$0.54	\$0.58	\$0.62
PAID CARTAGE @ AV LEAD (\$/m3)	\$30.07	\$29.30	\$28.58	\$27.90	\$27.27	\$26.67	\$26.11	\$25.58	\$25.08	\$24.61	\$24.17
Gross income @ paid cartage (\$)	\$90,210	\$90,830	\$91,456	\$92,070	\$92,718	\$93,345	\$93,996	\$94,646	\$95,304	\$95,979	\$96,680
less running cost	13,860	14,322	14,784	15,246	15,708	16,170	16,632	17,094	17,556	18,018	18,480
Load fee component (\$)	\$76,350	\$76,508	\$76,672	\$76,824	\$77,010	\$77,175	\$77,364	\$77,552	\$77,748	\$77,961	\$78,200
LOAD FEE (\$/m3)	\$25.45	\$24.68	\$23.96	\$23.28	\$22.65	\$22.05	\$21.49	\$20.96	\$20.46	\$19.99	\$19.55

	PRODUCTIVITY (m3/truck/year)										
	4100	4200	4300	4400	4500	4600	4700	4800	4900	5000	5100
“Fixed Cost” Labour (\$)	\$50,518	\$50,518	\$50,518	\$50,518	\$50,518	\$50,518	\$50,518	\$50,518	\$50,518	\$50,518	\$50,518
Ownership & Overhead Cost (\$)	25,184	25,184	25,184	25,184	25,184	25,184	25,184	25,184	25,184	25,184	25,184
Total Fixed, Ownership & Overhead Cost (\$)	75,702	75,702	75,702	75,702	75,702	75,702	75,702	75,702	75,702	75,702	75,702
Total Fixed, Ownership & Overhead Cost (\$/m3)	\$18.46	\$18.02	\$17.61	\$17.20	\$16.82	\$16.46	\$16.11	\$15.77	\$15.45	\$15.14	\$14.84
Running cost (\$) @ \$/m3/km rate \$0.50	18,942	19,404	19,866	20,328	20,790	21,252	21,714	22,176	22,638	23,100	23,562
LOD OPERATING COST (\$)	\$94,644	\$95,106	\$95,568	\$96,030	\$96,492	\$96,954	\$97,416	\$97,878	\$98,340	\$98,802	\$99,264
LOD OPERATING COST (\$/m3)	\$23.08	\$22.64	\$22.23	\$21.82	\$21.44	\$21.08	\$20.73	\$20.39	\$20.07	\$19.76	\$19.46
PROFIT/VOLUME INCENTIVE (\$/m3) F	\$0.66	\$0.70	\$0.74	\$0.78	\$0.82	\$0.86	\$0.90	\$0.94	\$0.98	\$1.02	\$1.00
PAID CARTAGE @ AV LEAD (\$/m3)	\$23.74	\$23.34	\$22.97	\$22.60	\$22.26	\$21.94	\$21.63	\$21.33	\$21.05	\$20.78	\$20.46
Gross income @ paid cartage (\$)	\$97,334	\$98,028	\$98,771	\$99,440	\$100,170	\$100,924	\$101,661	\$102,384	\$103,145	\$103,900	\$104,346
less running cost	18,942	19,404	19,866	20,328	20,790	21,252	21,714	22,176	22,638	23,100	23,562
Load fee component (\$)	\$78,392	\$78,624	\$78,905	\$79,112	\$79,380	\$79,672	\$79,947	\$80,208	\$80,507	\$80,800	\$80,784
LOAD FEE (\$/m3)	\$19.12	\$18.72	\$18.35	\$17.98	\$17.64	\$17.32	\$17.01	\$16.71	\$16.43	\$16.16	\$15.84

	PRODUCTIVITY (m3/truck/year)										
	5200	5300	5400	5500	5600	5700	5800	5900	6000	6100	6200
"Fixed Cost" Labour (\$)	\$50,518	\$50,518	\$50,518	\$50,518	\$50,518	\$50,518	\$50,518	\$50,518	\$50,518	\$50,518	\$50,518
Ownership & Overhead Cost (\$)	25,184	25,184	25,184	25,184	25,184	25,184	25,184	25,184	25,184	25,184	25,184
Total Fixed, Ownership & Overhead Cost (\$)	75,702	75,702	75,702	75,702	75,702	75,702	75,702	75,702	75,702	75,702	75,702
Total Fixed, Ownership & Overhead Cost (\$/m3)	\$14.56	\$14.28	\$14.02	\$13.76	\$13.52	\$13.28	\$13.05	\$12.83	\$12.62	\$12.41	\$12.21
Running cost (\$) @ \$/m3/km rate \$0.50	24,024	24,486	24,948	25,410	25,872	26,334	26,796	27,258	27,720	28,182	28,644
LOD OPERATING COST (\$)	\$99,726	\$100,188	\$100,650	\$101,112	\$101,574	\$102,036	\$102,498	\$102,960	\$103,422	\$103,884	\$104,346
LOD OPERATING COST (\$/m3)	\$19.18	\$18.90	\$18.64	\$18.38	\$18.14	\$17.90	\$17.67	\$17.45	\$17.24	\$17.03	\$16.83
PROFIT/VOLUME INCENTIVE (\$/m3) F	\$0.99	\$0.97	\$0.95	\$0.93	\$0.97	\$1.01	\$1.07	\$1.13	\$1.21	\$1.29	\$1.35
PAID CARTAGE @ AV LEAD (\$/m3)	\$20.17	\$19.87	\$19.59	\$19.31	\$19.11	\$18.91	\$18.74	\$18.58	\$18.45	\$18.32	\$18.18
Gross income @ paid cartage (\$)	\$104,884	\$105,311	\$105,786	\$106,205	\$107,016	\$107,787	\$108,692	\$109,622	\$110,700	\$111,752	\$112,716
less running cost	24,024	24,486	24,948	25,410	25,872	26,334	26,796	27,258	27,720	28,182	28,644
Load fee component (\$)	\$80,860	\$80,825	\$80,838	\$80,795	\$81,144	\$81,453	\$81,896	\$82,364	\$82,980	\$83,570	\$84,072
LOAD FEE (\$/m3)	\$15.55	\$15.25	\$14.97	\$14.69	\$14.49	\$14.29	\$14.12	\$13.96	\$13.83	\$13.70	\$13.56

	PRODUCTIVITY (m3/truck/year)										
	6300	6400	6500	6600	6700	6800	6900	7000	7100	7200	7300
"Fixed Cost" Labour (\$)	\$50,518	\$50,518	\$50,518	\$50,518	\$50,518	\$50,518	\$50,518	\$50,518	\$50,518	\$50,518	\$50,518
Ownership & Overhead Cost (\$)	25,184	25,184	25,184	25,184	25,184	25,184	25,184	25,184	25,184	25,184	25,184
Total Fixed, Ownership & Overhead Cost (\$)	75,702	75,702	75,702	75,702	75,702	75,702	75,702	75,702	75,702	75,702	75,702
Total Fixed, Ownership & Overhead Cost (\$/m3)	\$12.02	\$11.83	\$11.65	\$11.47	\$11.30	\$11.13	\$10.97	\$10.81	\$10.66	\$10.51	\$10.37
Running cost (\$) @ \$/m3/km rate											
\$0.50	29,106	29,568	30,030	30,492	30,954	31,416	31,878	32,340	32,802	33,264	33,726
LOD OPERATING COST (\$)	\$104,808	\$105,270	\$105,732	\$106,194	\$106,656	\$107,118	\$107,580	\$108,042	\$108,504	\$108,966	\$109,428
LOD OPERATING COST (\$/m3)	\$16.64	\$16.45	\$16.27	\$16.09	\$15.92	\$15.75	\$15.59	\$15.43	\$15.28	\$15.13	\$14.99
PROFIT/VOLUME INCENTIVE (\$/m3)	F										
	\$1.45	\$1.53	\$1.61	\$1.69	\$1.77	\$1.85	\$1.93	\$2.01	\$2.09	\$2.17	\$2.25
PAID CARTAGE @ AV LEAD (\$/m3)	\$18.09	\$17.98	\$17.88	\$17.78	\$17.69	\$17.60	\$17.52	\$17.44	\$17.37	\$17.30	\$17.24
Gross income @ paid cartage (\$)	\$113,967	\$115,072	\$116,220	\$117,348	\$118,523	\$119,680	\$120,888	\$122,080	\$123,327	\$124,560	\$125,852
less running cost	29,106	29,568	30,030	30,492	30,954	31,416	31,878	32,340	32,802	33,264	33,726
Load fee component (\$)	\$84,861	\$85,504	\$86,190	\$86,856	\$87,569	\$88,264	\$89,010	\$87,740	\$90,525	\$91,296	\$92,126
LOAD FEE (\$/m3)	\$13.47	\$13.36	\$13.26	\$13.16	\$13.07	\$12.98	\$12.90	\$12.82	\$12.75	\$12.68	\$12.62

	PRODUCTIVITY (m3/truck/year)						
	7400	7500	7600	7700	7800	7900	8000
“Fixed Cost” Labour (\$)	\$50,518	\$50,518	\$50,518	\$50,518	\$50,518	\$50,518	\$50,518
Ownership & Overhead Cost (\$)	25,184	25,184	25,184	25,184	25,184	25,184	25,184
Total Fixed, Ownership & Overhead Cost (\$)	75,702	75,702	75,702	75,702	75,702	75,702	75,702
Total Fixed, Ownership & Overhead Cost (\$/m3)	\$10.23	\$10.09	\$9.96	\$9.83	\$9.71	\$9.58	\$9.46
Running cost (\$) @ \$/m3/km rate \$0.50	34,188	34,650	35,112	35,574	36,036	36,498	36,960
LOD OPERATING COST (\$)	\$109,890	\$110,352	\$110,814	\$111,276	\$111,738	\$112,200	\$112,662
LOD OPERATING COST (\$/m3)	\$14.85	\$14.71	\$14.58	\$14.45	\$14.33	\$14.20	\$14.08
PROFIT/VOLUME INCENTIVE (\$/m3) F	\$2.33	\$2.41	\$2.49	\$2.57	\$2.65	\$2.73	\$2.81
PAID CARTAGE @ AV LEAD (\$/m3)	\$17.18	\$17.12	\$17.07	\$17.02	\$16.98	\$16.93	\$16.89
Gross income @ paid cartage (\$)	\$127,132	\$128,400	\$129,732	\$131,054	\$132,444	\$133,747	\$135,120
less running cost	34,188	34,650	35,112	35,574	36,036	36,498	36,960
Load fee component (\$)	\$92,944	\$93,750	\$94,620	\$95,480	\$96,408	\$97,249	\$98,160
LOAD FEE (\$/m3)	\$12.56	\$12.50	\$12.45	\$12.40	\$12.36	\$12.31	\$12.27

VARIATION IN UTILIZATION
RATES

Items of data marked "ME" to be varied by any change in the Transport Industry Mixed Enterprises (State) Award grade 4 driver.
Items of data marked "TI" to be varied by any change in the Transport Industry (State) Award grade 4 driver.
Items of data marked "B" to be varied by actual change in cost or value based on competitive quotes.
Items of data marked "C" to be varied by the % change in the Sydney Consumer Price Index (All Groups Index Number) for the quarter immediately preceding the rate review.
Items of data marked "D" to be the actual average load size (m3) and average lead (km) and actual volume (m3/truck/year) determined on a moving annual total basis.
Items of data marked "F" are fixed for the term of the Contract of Carriage unless both parties agree that circumstances are sufficiently changed to warrant alteration.
Items of data marked "X" are calculations

Items of data marked "F(1)" are the Sydney Consumer Price Index (All Groups Index Number) for the December 2004 quarter and are fixed for the term of the Contract of Carriage.
Items of data marked "F(2)" are to be reviewed on 1st November 2004 and the year 8 to 10 interest rates are to be reviewed 1st November 2011 to become effective at the following utilisation review 15th January 2012 based on the attached financial model "FM".
The basis for the interest rate at the 1st November 2004 review in "FM" for years 8 to 10 shall be the the RBA (Reserve Bank of Australia) Financial Markets Indicator Lending Rates (Table F5) Small Business 3 Year Fixed rate for October 2004.
Items of data marked "F(3)" are to be reviewed on 1st November 2004 based on new truck price on that date and are fixed for the term of the Contract of Carriage unless both parties agree that circumstances are sufficiently changed to warrant alteration.

Note:

All items of data marked "B" and "D" and "ME" and "TI" are to be reviewed on 1st November 2004.
The results of the 1st November 2004 rate review will set the cartage rates effective from 16th January 2005 through to the 15th April 2005.
All reviews will be based on the best competitive deals available to carriers at the review date.
The Financial Model "FM" is to be as below unless a better, agreed 10 year deal can be made available to Carriers prior to 1st November 2004. If an agreed 10 year deal is available the Financial Model "FM" and Schedule 2 will be adjusted to reflect this.

Financial Model "FM"	6 Wheeler - GE Lease option - 7 Years, 30% residual											
	Truck cost	127,538										
	Lease cost excl GST	1,663	from GE									
	Redidual	30%	7 years									
	10 Year Agreed Finance Model											
		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	
		19,959	19,959	19,959	19,959	19,959	19,959	19,959				
								Buy out (30%)	38,261	Disposal (15%)	19,131	
								Depreciation		6,377	6,377	6,377
								Interest	7.50%	2,870	2,870	2,870
	Undiscounted cash flow	19,959	19,959	19,959	19,959	19,959	19,959	19,959	9,247	9,247	9,247	
	Undiscounted total cost	167,454										
Annual Earnings Safety Net	Annualised cost	16,745	The annual earnings safety net as provided for in clause 5 of the Agreement is equal to the sum of the Fixed Cost Labour, Ownership and Overhead Costs. The annual earnings safety net will be changed in accordance with clause 4.5 of the Agreement.									
Current Annual Earnings Safety Net		\$75,702										

CALCULATION OF EIGHT WHEEL CONCRETE TRUCK (NEW TRUCK) TRUE COST UTILIZATION CARTAGE RATES

CPI INDICES			
Base Index – December Quarter 2004	143.6	F(1)	Sydney Consumer Price Index (All Groups Index) December Quarter 2003
Index at review	143.6	B	
PRODUCTIVITY			
Volume (m3/truck/year)	6600	F	Baseline Productivity for Rate Calculation
Average load (carted m3)	6.00	D	Current average carted m3 – Sydney Metro
Average lead (km)	9.24	D	Current average – Sydney Metro
Trips/year	1100	X	
Paid km/year	10164	X	
Paid km/total km ratio	50%	F	
Total km/year	20328	X	
LABOUR			
TI Weekly rate (\$)	\$592.50	TI	Transport Industry State Award used for casual labour calculations only Mixed Enterprises Award used for all other labour calculations
ME Weekly Rate	\$549.70	ME	
Weeks/Year	50	F	
Hours/Week	38	F	Award hours per week @ 7.6 hours per day
Hourly Rate	\$14.47	X	
Normal time wages (\$)	\$27,485	X	
Award Allowances			
Slump Allowance per week	\$17.85	ME	
Total Allowances	\$892.50	X	
Casual labour for 2 weeks leave + 1 week sick	\$2,375	TI (X)	Includes 15% plus 1/12 loading @ TI Award Rate & includes slump allowance
Total casual labour (\$)	\$2,375	X	
No of weeks overtime worked	40	F	
Equiv normal time hours / week	11.25	F	1.5 hours/week day @ time & half
No of week Saturdays worked	40	F	
Equiv normal time hours / Sat	12.00	F	2 hours @ time & half plus 4.5 hours @ double time per Saturday

Overtime cost (\$)	\$13,453	X	
LABOUR (on costs)			
Superannuation (\$)	\$2,768	B (X)	9% % of normal time wage + allowances + casual hours according to statutory requirements at time of rate calculation
Long service leave (\$)	\$476	ME (X)	Per statutory requirements
Leave loading (\$)	\$549.70	ME (X)	
Workers comp insurance (\$)	\$3,137	B (X)	6.535% % of all income per statutory requirements Industry Code 263300 6.35% + dust diseases rate 0.165%
Total labour on costs (\$)	\$6,931	X	
TOTAL LABOUR COST (\$)	\$51,136	X	
"FIXED COST" LABOUR (\$)	\$51,136	X	

OWNERSHIP & OVERHEAD COSTS			Truck Iveco K2350G 8x4 Lightweight Spec, auto, Airbag, Alloy Wheels \$159,700
Financing contribution (\$)	\$20,968	F(2)	Rate n/a 7 Year lease from GE, 30% residual, buyout truck & finance @ year 8 - year 10 (7.5% interest), 15% truck value @ end of year 10
Stamp duty on truck purchase (\$)	\$527	F(3)	5270 3% Amortized over 10 years, on truck price including GST
Reg'n, CTP insurance	\$4,096	B (X)	Truck registration * \$,2398 CTP ins * 1698 Annual payment
Insurance excl workers comp (\$)	\$2,372	B (X)	Truck \$1,447 Public Liability \$330 Agitator \$213
Administration costs (\$)	\$3,250	C	Accounting Fees for Annual Return & Quarterly BASS \$2500, ASIC filing fees \$200, bank fees \$120, misc expenses \$400, weighbridge cert \$30
TOTAL O & O COSTS (\$)	\$31,213	X	*Truck registration based on Iveco K2350G 8 Wheeler * All insurances based on competitive quote

RUNNING COSTS			All Running Costs GST EXCLUSIVE	
Fuel – based on km travelled			BP Card Rate Metro Sydney - three month average	Steven Todd 02 97954800
Fuel Cost (\$/litre)	\$0.68	B	Fuel numbers 0.9567	Rebate 0.18510
Total km travelled	20328	X	km/l 1.33	
Fuel consumption (litres/100km)	75.0	F		
Truck fuel cost (\$)	\$10,438	X		



Repairs & servicing – all time based			
Routine services per year	5	F	Iveco M1 (350 hr), M2 (1400 hr), M3 (2800 hr), Trans (1400 hr) Hour Service
Routine service cost per year (\$)	\$3,619	B	Schedule, 1800 hours per year
PTO Inspection workshop hours per year	1	F	Equals 5400 hours/5800 hours multiply cost of (12 x M1 + 2 x M2 + 2 x M3 + 4 x
PTO inspection cost per year (\$)	\$78	X	Trans) divided by 3 years
			Annual PTO Inspection conducted at Iveco ‘M3’ Service @ Workshop Hourly Rate
Minor R & M (hours/week)	1	F	
Truck working weeks/year	50	F	
Workshop cost (\$/hour)	\$78	B	Iveco dealer or approved Iveco repairer workshop rate
Mechanic cost as % Workshop cost	45%	F	
Mechanic cost (\$/hour)	\$35.10	B	
Minor R & M cost per year	\$1,755	X	
Provision for major R & M (\$)	\$3,200	C	All components including PTO
Minor jobsite related damage (\$)	\$200	C	
Total servicing, R & M cost (\$)	\$8,852	X	
Tyres – based on km travelled			
No. of new tyres – radial steer	2.3	F	Expected Life 35,000
Cost of new tyre (\$ each)	\$430	B	Kumho KRA01 11R22.5 or equivalent
Cost of new tyres (\$)	\$999	X	
No. of recaps – rear drive	6.0	F	Expected Life 27,000
Cost of recaps (\$ each)	\$141	B	
Cases	3	F	
Cost of cases (\$ each)	\$80	B	
Cost of recaps (\$)	\$1,089	X	
Expected no. of punctures	7	F	
Cost of puncture repair (\$ each)	\$30	B	
Cost of punctures (\$)	\$210	X	
Wheel Alignment no. per year	1	F	
Wheel Alignment cost (\$ each)	\$250	B	

Tyre Disposal Fees per year	2	F	
Cost per Tyre Disposal	\$15	B	
Total Disposal Cost	\$30	X	
Total tyre cost (\$)	\$2,578	X	
No dedagings per year	2	F	
Total Contractor Hours per Dedag	4	F	Allowance for two contractors
Dedagging Contractor Hourly Rate (\$)	\$80	B	
Dedagging Allowance (\$)	\$640	X	
Running Cost Allowance	\$600	F	Factor for all additional requirements i.e. Blocks, bag addition, mixing, washouts, dry outs, truck to truck transfers, RTA Inspections etc
Profit Component (50% of 5500 MAT Profit)	\$6,006	F	
TOTAL RUNNING COSTS (\$)	\$29,113	X	
Total running cost (\$/m3/paid km)	\$0.48	X	
PAID RATE (\$/m3/paid km)	\$0.48	X	Rounded to nearest whole cent

	PRODUCTIVITY (m3/truck/year)										
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	3000	3100	3200	3300	3400	3500	3600	3700	3800	3900	4000
“Fixed Cost” Labour (\$)	\$51,136	\$	\$51,136	\$51,136	\$51,136	\$51,136	\$51,136	\$51,136	\$51,136	\$51,136	\$51,136
Ownership & Overhead Cost (\$)	31,213	31,213	31,213	31,213	31,213	31,213	31,213	31,213	31,213	31,213	31,213
Total Fixed, Ownership & Overhead Cost (\$)	82,349	82,349	82,349	82,349	82,349	82,349	82,349	82,349	82,349	82,349	82,349
Total Fixed, Ownership & Overhead Cost (\$/m3)	\$27.45	\$26.56	\$25.73	\$24.95	\$24.22	\$23.53	\$22.87	\$22.26	\$21.67	\$21.12	\$20.59
Running cost (\$) @ \$/m3/km											

rate	\$0.48	13,306	13,749	14,193	14,636	15,080	15,523	15,967	16,410	16,854	17,297	17,741
LOD OPERATING COST (\$)	\$95,655	\$96,098	\$96,542	\$96,985	\$97,429	\$97,872	\$98,316	\$98,760	\$99,203	\$99,647	\$100,090	
LOD OPERATING COST (\$/m3)	\$31.88	\$31.00	\$30.17	\$29.39	\$28.66	\$27.96	\$27.31	\$26.69	\$26.11	\$25.55	\$25.02	
PROFIT/VOLUME INCENTIVE (\$/m3)	F	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.06	\$0.10	\$0.14	\$0.18	\$0.22

PAID CARTAGE @ AV LEAD (\$/m3)	\$31.90	\$31.02	\$30.19	\$29.41	\$28.68	\$27.98	\$27.37	\$26.79	\$26.25	\$25.73	\$25.24
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Gross income @ paid cartage (\$)	\$95,700	\$96,162	\$96,608	\$97,053	\$97,512	\$97,930	\$98,532	\$99,123	\$99,750	\$100,347	\$100,960
less running cost	13,306	13,749	14,193	14,636	15,080	15,523	15,967	16,410	16,854	17,297	17,741
Load fee component (\$)	\$82,394	\$82,413	\$82,415	\$82,417	\$82,432	\$82,407	\$82,565	\$82,713	\$82,896	\$83,050	\$83,219
LOAD FEE (\$/m3)	\$27.46	\$26.58	\$25.75	\$24.97	\$24.24	\$23.54	\$22.93	\$22.35	\$21.81	\$21.29	\$20.80

	PRODUCTIVITY (m3/truck/year)										
	4100	4200	4300	4400	4500	4600	4700	4800	4900	5000	5100
“Fixed Cost” Labour (\$)	\$51,136	\$51,136	\$51,136	\$51,136	\$51,136	\$51,136	\$51,136	\$51,136	\$51,136	\$51,136	\$51,136
Ownership & Overhead Cost (\$)	31,213	31,213	31,213	31,213	31,213	31,213	31,213	31,213	31,213	31,213	31,213
Total Fixed, Ownership & Overhead Cost (\$)	82,349	82,349	82,349	82,349	82,349	82,349	82,349	82,349	82,349	82,349	82,349
Total Fixed, Ownership & Overhead Cost (\$/m3)	\$20.09	\$19.61	\$19.15	\$18.72	\$18.30	\$17.90	\$17.52	\$17.16	\$16.81	\$16.47	\$16.15
Running cost (\$) @ \$/m3/km rate \$0.48	18,184	18,628	19,071	19,515	19,958	20,402	20,845	21,289	21,732	22,176	22,620
LOD OPERATING COST (\$)	\$100,534	\$100,977	\$101,421	\$101,864	\$102,308	\$102,751	\$103,195	\$103,638	\$104,082	\$104,525	\$104,969
LOD OPERATING COST (\$/m3)	24.52	24.04	23.59	23.15	22.74	22.34	21.96	21.59	21.24	20.91	20.58
PROFIT/VOLUME INCENTIVE (\$/m3) F	\$0.26	\$0.30	\$0.34	\$0.38	\$0.42	\$0.46	\$0.50	\$0.54	\$0.58	\$0.62	\$0.66
PAID CARTAGE @ AV LEAD (\$/m3)	\$24.78	\$24.34	\$23.93	\$23.53	\$23.16	\$22.80	\$22.46	\$22.13	\$21.82	\$21.53	\$21.24
Gross income @ paid cartage (\$)	\$101,598	\$102,228	\$102,899	\$103,532	\$104,220	\$104,880	\$105,562	\$106,224	\$106,918	\$107,650	\$108,324
less running cost	18,184	18,628	19,071	19,515	19,958	20,402	20,845	21,289	21,732	22,176	22,620
Load fee component (\$)	\$83,414	\$83,600	\$83,828	\$84,017	\$84,262	\$84,478	\$84,717	\$84,935	\$85,186	\$85,474	\$85,704
LOAD FEE (\$/m3)	\$20.34	\$19.90	\$19.49	\$19.09	\$18.72	\$18.36	\$18.02	\$17.69	\$17.38	\$17.09	\$16.80

	PRODUCTIVITY (m3/truck/year)										
	5200	5300	5400	5500	5600	5700	5800	5900	6000	6100	6200
“Fixed Cost” Labour (\$)	\$51,136	\$51,136	\$51,136	\$51,136	\$51,136	\$51,136	\$51,136	\$51,136	\$51,136	\$51,136	\$51,136
Ownership & Overhead Cost (\$)	31,213	31,213	31,213	31,213	31,213	31,213	31,213	31,213	31,213	31,213	31,213
Total Fixed, Ownership & Overhead Cost (\$)	82,349	82,349	82,349	82,349	82,349	82,349	82,349	82,349	82,349	82,349	82,349
Total Fixed, Ownership & Overhead Cost (\$/m3)	\$15.84	\$15.54	\$15.25	\$14.97	\$14.71	\$14.45	\$14.20	\$13.96	\$13.72	\$13.50	\$13.28
Running cost (\$) @ \$/m3/km rate \$0.48	23,063	23,507	23,950	24,394	24,837	25,281	25,724	26,168	26,611	27,055	27,498
LOD OPERATING COST (\$)	\$105,412	\$105,856	\$106,299	\$106,743	\$107,186	\$107,630	\$108,073	\$108,517	\$108,960	\$109,404	\$109,848
LOD OPERATING COST (\$/m3)	\$20.27	\$19.97	\$19.69	\$19.41	\$19.14	\$18.88	\$18.63	\$18.39	\$18.16	\$17.94	\$17.72
PROFIT/VOLUME INCENTIVE (\$/m3) F	\$0.70	\$0.74	\$0.78	\$0.82	\$0.86	\$0.90	\$0.94	\$0.98	\$1.02	\$1.01	\$0.99
PAID CARTAGE @ AV LEAD (\$/m3)	\$20.97	\$20.71	\$20.47	\$20.23	\$20.00	\$19.78	\$19.57	\$19.37	\$19.18	\$18.95	\$18.71
Gross income @ paid cartage (\$)	\$109,044	\$109,763	\$110,538	\$111,265	\$112,000	\$112,746	\$113,506	\$114,283	\$115,080	\$115,595	\$116,002
less running cost	23,063	23,507	23,950	24,394	24,837	25,287	25,724	26,168	26,611	27,055	27,498
Load fee component (\$)	\$85,981	\$86,256	\$86,588	\$86,871	\$87,163	\$87,465	\$87,782	\$88,115	\$88,469	\$88,540	\$88,504
LOAD FEE (\$/m3)	\$16.53	\$16.27	\$16.03	\$15.79	\$15.56	\$15.34	\$15.13	\$14.93	\$14.74	\$14.51	\$14.27

	PRODUCTIVITY (m3/truck/year)										
	6300	6400	6500	6600	6700	6800	6900	7000	7100	7200	7300
“Fixed Cost” Labour (\$)	\$51,136	\$51,136	\$51,136	\$51,136	\$51,136	\$51,136	\$51,136	\$51,136	\$51,136	\$51,136	\$51,136
Ownership & Overhead Cost (\$)	31,213	31,213	31,213	31,213	31,213	31,213	31,213	31,213	31,213	31,213	31,213
Total Fixed, Ownership & Overhead Cost (\$)	82,349	82,349	82,349	82,349	82,349	82,349	82,349	82,349	82,349	82,349	82,349
Total Fixed, Ownership & Overhead Cost (\$/m3)	\$13.07	\$12.87	\$12.67	\$12.48	\$12.29	\$12.11	\$11.93	\$11.76	\$11.60	\$11.44	\$11.28
Running cost (\$) @ \$/m3/km rate \$0.50	27,942	28,385	28,829	29,272	29,716	30,159	30,603	31,046	31,490	31,933	32,377
LOD OPERATING COST (\$)	\$110,291	\$110,735	\$111,178	\$111,622	\$112,065	\$112,509	\$112,952	\$113,396	\$113,839	\$114,283	\$114,726
LOD OPERATING COST (\$/m3)	\$17.51	\$17.30	\$17.10	\$16.91	\$16.73	\$16.55	\$16.37	\$16.20	\$16.03	\$15.87	\$15.72
PROFIT/VOLUME INCENTIVE (\$/m3) F	\$0.98	\$0.96	\$0.95	\$0.93	\$0.97	\$1.01	\$1.07	\$1.13	\$1.21	\$1.29	\$1.37
PAID CARTAGE @ AV LEAD (\$/m3)	\$18.49	\$18.26	\$18.05	\$17.84	\$17.70	\$17.56	\$17.44	\$17.33	\$17.24	\$17.16	\$17.09
Gross income @ paid cartage (\$)	\$116,487	\$116,864	\$117,325	\$117,744	\$118,590	\$119,408	\$120,336	\$121,310	\$122,404	\$123,552	\$124,757
less running cost	27,942	28,385	28,829	29,272	29,716	30,159	30,603	31,046	31,490	31,933	32,377
Load fee component (\$)	\$88,545	\$88,479	\$88,496	\$88,472	\$88,874	\$99,249	\$89,733	\$90,264	\$90,914	\$91,619	\$92,380
LOAD FEE (\$/m3)	\$14.05	\$13.82	\$13.61	\$13.26	\$13.26	\$13.12	\$13.00	\$12.89	\$12.80	\$12.72	\$12.65

	PRODUCTIVITY (m3/truck/year)										
	7400	7500	7600	7700	7800	7900	8000	8100	8200	8300	8400
“Fixed Cost” Labour (\$)	\$51,136	\$51,136	\$51,136	\$51,136	\$51,136	\$51,136	\$51,136	\$51,136	\$51,136	\$51,136	\$51,136
Ownership & Overhead Cost(\$)	31,213	31,213	31,213	31,213	31,213	31,213	31,213	31,213	31,213	31,213	31,213
Total Fixed, Ownership & Overhead Cost(\$)	82,349	82,349	82,349	82,349	82,349	82,349	82,349	82,349	82,349	82,349	82,349
Total Fixed, Ownership & Overhead Cost (\$/m3)	\$11.13	\$10.98	\$10.84	\$10.69	\$10.56	\$10.42	\$10.29	\$10.17	\$10.04	\$9.92	\$9.80
Running cost (\$) @ \$/m3/km rate \$0.48	32,820	33,264	33,708	34,151	34,595	35,038	35,482	35,925	36,369	36,812	37,256
LOD OPERATING COST (\$)	\$115,170	\$115,613	\$116,057	\$116,500	\$116,944	\$117,387	\$117,831	\$118,274	\$118,718	\$119,161	\$119,605
LOD OPERATING COST (\$/m3)	\$15.56	\$15.42	\$15.27	\$15.13	\$14.99	\$14.86	\$14.73	\$14.60	\$14.48	\$14.36	\$14.24
PROFIT/VOLUME INCENTIVE (\$/m3) F	\$1.45	\$1.53	\$1.61	\$1.69	\$1.77	\$1.85	\$1.93	\$2.01	\$2.09	\$2.17	\$2.25
PAID CARTAGE @ AV LEAD (\$/m3)	\$17.01	\$16.95	\$16.88	\$16.82	\$16.76	\$16.71	\$16.66	\$16.61	\$16.57	\$16.53	\$16.49
Gross income @ paid cartage(\$) less running cost	\$125,874 32,820	\$127,125 33,264	\$128,288 33,708	\$129,514 34,151	\$130,728 34,595	\$132,009 35,038	\$133,280 35,482	\$134,541 35,925	\$135,874 36,369	\$137,199 36,812	\$138,516 37,256
Load fee component (\$)	\$93,054	\$93,861	\$94,580	\$95,363	\$96,133	\$96,971	\$97,798	\$98,616	\$99,505	\$100,387	\$101,260
LOAD FEE (\$/m3)	\$12.57	\$12.51	\$12.44	\$12.38	\$12.32	\$12.27	\$12.22	\$12.17	\$12.13	\$12.09	\$12.05

	PRODUCTIVITY (m3/truck/year)										
	8500	8600	8700	8800	8900	9000	9100	9200	9300	9400	9500
“Fixed Cost” Labour (\$)	\$51,136	\$51,136	\$51,136	\$51,136	\$51,136	\$51,136	\$51,136	\$51,136	\$51,136	\$51,136	\$51,136
Ownership & Overhead Cost(\$)	31,213	31,213	31,213	31,213	31,213	31,213	31,213	31,213	31,213	31,213	31,213
Total Fixed, Ownership & Overhead Cost (\$)	82,349	82,349	82,349	82,349	82,349	82,349	82,349	82,349	82,349	82,349	82,349
Total Fixed, Ownership & Overhead Cost (\$/m3)	\$9.69	\$9.58	\$9.47	\$9.36	\$9.25	\$9.15	\$9.05	\$8.95	\$8.85	\$8.76	\$8.67
Running cost (\$) @ \$/m3/km rate \$0.48	37,699	38,143	38,586	39,030	39,473	39,917	40,360	40,804	41,247	41,691	42,134
LOD OPERATING COST (\$)	\$120,048	\$120,492	\$120,936	\$121,379	\$121,823	\$122,266	\$122,710	\$123,153	\$123,597	\$124,040	\$124,484
LOD OPERATING COST (\$/m3)	\$14.12	\$14.01	\$13.90	\$13.79	\$13.69	\$13.59	\$13.48	\$13.39	\$13.29	\$13.20	\$13.10
PROFIT/VOLUME INCENTIVE (\$/m3) F	\$2.33	\$2.41	\$2.49	\$2.57	\$2.65	\$2.73	\$2.81	\$2.89	\$2.97	\$3.05	\$3.13
PAID CARTAGE @ AV LEAD (\$/m3)	\$16.45	\$16.42	\$16.39	\$16.36	\$16.34	\$16.32	\$16.29	\$16.28	\$16.26	\$16.25	\$16.23
Gross income @ paid cartage(\$) less running cost	\$139,825 37,699	\$141,212 38,143	\$142,593 38,586	\$143,968 39,030	\$145,426 39,473	\$146,880 39,917	\$148,239 40,360	\$149,776 40,804	\$151,218 41,247	\$152,750 41,691	\$154,185 42,134
Load fee component (\$)	\$102,126	\$103,069	\$104,007	\$104,938	\$109,953	\$106,963	\$107,879	\$108,972	\$109,971	\$111,059	\$112,051
LOAD FEE (\$/m3)	\$12.01	\$11.98	\$11.95	\$11.92	\$11.90	\$11.88	\$11.85	\$11.84	\$11.82	\$11.81	\$11.79

	PRODUCTIVITY (m3/truck/year)				
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	9600	9700	9800	9900	10000
“Fixed Cost” Labour (\$)	\$51,136	\$51,136	\$51,136	\$51,136	\$51,136
Ownership & Overhead Cost(\$)	31,213	31,213	31,213	31,213	31,213
Total Fixed, Ownership & Overhead Cost (\$)	82,349	82,349	82,349	82,349	82,349
Total Fixed, Ownership & Overhead Cost (\$/m3)	\$8.58	\$8.49	\$8.40	\$8.32	\$8.23
Running cost (\$) @ \$/m3/km rate \$0.48	42,578	43,021	43,465	43,908	44,352

LOD OPERATING COST (\$)	\$124,927	\$125,371	\$125,814	\$126,258	\$126,701
LOD OPERATING COST (\$/m3)	\$13.01	\$12.92	\$12.84	\$12.75	\$12.67
PROFIT/VOLUME INCENTIVE (\$/m3) F	\$3.21	\$3.29	\$3.37	\$3.45	\$3.53

PAID CARTAGE @ AV LEAD (\$/m3)	\$16.22	\$16.21	\$16.21	\$16.20	\$16.20
Gross income @ paid cartage (\$) less running cost	\$155,712 42,578	\$157,237 43,021	\$158,858 43,465	\$160,380 43,908	\$162,000 44,352
Load fee component (\$)	\$113,134	\$114,216	\$115,393	\$116,472	\$117,648
LOAD FEE (\$/m3)	\$11.78	\$11.77	\$11.77	\$11.76	\$11.76

VARIATION IN UTILIZATION RATES

Items of data marked "ME" to be varied by any change in the Transport Industry Mixed Enterprises (State) Award grade 4 driver.

Items of data marked "TI" to be varied by any change in the Transport Industry (State) Award grade 4 driver.

Items of data marked "B" to be varied by actual change in cost or value based on competitive quotes.

Items of data marked "C" to be varied by the % change in the Sydney Consumer Price Index (All Groups Index Number) for the quarter immediately preceding the rate review.

Items of data marked "D" to be the actual average load size (m3) and average lead (km) and actual volume (m3/truck/year) determined on a moving annual total basis.

Items of data marked "F" are fixed for the term of the Contract of Carriage unless both parties agree that circumstances are sufficiently changed to warrant alteration.

Items of data marked "X" are calculations

Items of data marked "F(1)" are the Sydney Consumer Price Index (All Groups Index Number) for the December 2004 quarter and are fixed for the term of the Contract of Carriage.

Items of data marked "F(2)" are to be reviewed on 1st November 2004 and the year 8 to 10 interest rates are to be reviewed 1st November 2011 to become effective at the following utilisation review 15th January 2012 based on the attached financial model "FM".

The basis for the interest rate at the 1st November 2004 review in "FM" for years 8 to 10 shall be the the RBA (Reserve Bank of Australia)

Financial Markets Indicator Lending Rates (Table F5) Small Business 3 Year Fixed rate for October 2004.

Items of data marked "F(3)" are to be reviewed on 1st November 2004 based on new truck price on that date and are fixed for the term of the Contract of Carriage unless both parties agree that circumstances are sufficiently changed to warrant alteration.

Note:

All items of data marked "B" and "D" and "ME" and "TI" are to be reviewed on 1st November 2004.

The results of the 1st November 2004 rate review will set the cartage rates effective from 16th January 2005 through to the 15th April 2005.

All reviews will be based on the best competitive deals available to carriers at the review date.

The Financial Model "FM" is to be as below unless a better, agreed 10 year deal can be made available to Carriers prior to 1st November 2004.

If an agreed 10 year deal is available the Financial Model "FM" and Schedule 2 will be adjusted to reflect this.

SCHEDULE 3

Details Of Insurance Requirements

1. General

The insurance coverage required by clause 10 is as follows:

- (a) Motor vehicle comprehensive or third party property.
- (b) Motor vehicle compulsory third party (CTP).
- (c) Workers' Compensation for all the Carrier's employees including casual employees.
- (d) Public liability cover to a minimum value. of \$10 million with extension to cover the following:
 - (i) Damage caused by the agitator.
(Ten Million dollars (\$ 10,000,000) minimum value)
 - (ii) Damage due to incorrect product delivery.
(Ten Million dollars (\$ 10,000, 000) minimum value)
- (e) Comprehensive cover for damage to the agitator.
(Minimum value \$40,000) Nil Excess Policy

Note: If damage is caused to a Readymix owned mixer then Readymix will determine if the agitator can be rebuilt or has to be replaced with a new unused agitator. If Readymix determine the agitator can be rebuilt then it must be completed by an industry recognised manufacturer and/or supplier and completed in a timely manner to Readymix satisfaction.

2. Motor Vehicle Comprehensive Or Third Party Property

The motor vehicle comprehensive policy must include a Third Party Liability in respect of bodily injury and/or property damage up to a limit of \$20 million for any one event.

The policy must also cover, but not necessarily be limited to the following:

- (a) Finance payout.
- (b) Any losses which may arise whilst the insured is operating beyond the limits of any carriageway or thoroughfare.
- (c) Any losses due to theft, fire, flood and/or storm and tempest.
- (d) Cross liability.
- (e) Liability of passengers.
- (f) Principal's Indemnity in respect of non-owned vehicles.
- (g) Removal of debris/cleaning up costs.
- (h) Signwriting.
- (i) Trainee Driver Cover,

(Prospective Trainee Drivers seeking Manning Approval from Readymix)

3. Motor Vehicle Compulsory Third Party

This cover is that which is commonly known as "CTP" cover, and is controlled by State Government legislation.

4. Workers' Compensation

As each Carrier operating in accordance with the Contract is trading as a Proprietary Limited Company, they are required, by law, to effect Workers' Compensation Insurance for each and every worker employed by their Company.

5. Public Liability

A Public Liability cover to the value of \$ 10 million is compulsory.

This policy must contain an extension to cover any damage or injury which may be attributed to the agitator owned by Readymix Holdings Pty Ltd or the Carrier and carried and used by the Carrier.

This policy must also contain an extension to cover for any damage that may be attributed, whether directly or indirectly, to the delivery by the Carrier of an incorrect product to a customer.

6. Comprehensive Cover for Damage to Agitator

A Comprehensive cover for and all theft and/or damage to the agitator which is the property of Readymix Holdings Pty Ltd or the Carrier.

The cover will extend to all situations whether the agitator is attached to the Carrier's vehicle or whilst removed for repair and/or maintenance.

The cover must be for a minimum value of \$40,000 and be a NIL EXCESS policy.

SCHEDULE 4

Fairness and Respect Statement

Readymix is obliged by legislation to provide a safe workplace and a safe work environment.

It is a term of the Determination that the Carrier's Drivers, employees, Subcontractors and all other persons associated with the Carrier must not harass, vilify, bully or victimise Readymix employees and/or other Readymix contractors.

Readymix has the right to terminate the Determination without compensation in cases of harassment, vilification, bullying and victimisation by the Carrier or by the Carrier's Driver or its Subcontractor or the Subcontractor's employee.

Readymix requires that all its premises be free of any form of harassment, vilification, bullying or victimisation.

So that there can be no doubt Readymix sets out what is meant by the terms harassment, vilification, bullying and victimisation:

Harassment is any form of behaviour (physical, spoken or written) towards another person

- which is uninvited or unwanted by the person
- which offends, humiliates or intimidates that person and a reasonable person should have expected that to be the case; and
- which targets the person on a ground, such as race, age, sex, disability etc.

Harassment includes unwelcome touching, pushing or other physical contact, remarks with suggestive or offensive connotations, threats, insults, offensive jokes, intrusive personal questions, hand or body gestures, or the display of offensive material.

Vilification is generally any act or words that could encourage others to hate, treat with contempt, or ridicule a person or a group of people for reasons such as age, sex, race etc.

Bullying is the deliberate use of words or actions to hurt, threaten or frighten someone. It may include threatening, taunting, persecuting, or obstructing people from doing what they want to do.

Victimisation means punishing or harassing a person because he or she has complained or intends to complain about being harassed, or vilified, or because the person has supported someone else who complained or intends to do so.

SCHEDULE 5

Waiting Time Guidelines

- (a) No Waiting Time will be payable for the first 30 minutes of any delivery
- (b) Allowable Waiting Time per delivery will be the greater of
 - (i) 30 minutes or
 - (ii) 7 minutes per metre or part thereof.
- (c) A 15 minute grace period will apply. Upon the grace period being exceeded Waiting Time will be payable subject to clause (b).