

# Victoria Government Gazette

By Authority of Victorian Government Printer

## No. G 42 Thursday 18 October 2012

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## **Advertisers Please Note**

As from 18 October 2012

The last Special Gazette was No. 346 dated 16 October 2012.

The last Periodical Gazette was No. 1 dated 14 June 2012.

## How To Submit Copy

- See our webpage www.gazette.vic.gov.au •
- or contact our office on 8523 4601 between 8.30 am and 5.30 pm Monday to Friday

### Copies of recent Special Gazettes can now be viewed at the following display cabinet:

1 Treasury Place, Melbourne (behind the Old Treasury Building) •

## PUBLICATION OF THE VICTORIA GOVERNMENT GAZETTE (GENERAL) MELBOURNE CUP HOLIDAY 2012 (Tuesday 6 November 2012)

## Please Note:

The Victoria Government Gazette for Melbourne Cup week (G45/12) will be published on **Thursday 8 November 2012**.

## Copy deadlines:

9.30 am on Friday 2 November 2012

Private Advertisements Government and Outer Budget Sector Agencies Notices

9.30 am on Monday 5 November 2012

**Office Hours:** Where urgent gazettal is required after hours, arrangements should be made with the Government Gazette Officer on 0419 327 321.

JENNY NOAKES Government Gazette Officer

## VICTORIA GOVERNMENT GAZETTE

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> JENNY NOAKES Government Gazette Officer

### PRIVATE ADVERTISEMENTS



VICTORIA POLICE HOMICIDE REWARD \$100,000.00

The co-operation of the public is sought to establish the identity of the person or persons responsible for the death of Krystal Fraser, who disappeared from her home in Pyramid Hill on 20 June 2009.

A Reward of up to one hundred thousand dollars (\$100,000.00) will be paid at the discretion of the Chief Commissioner of Police, for information leading to the apprehension and subsequent conviction of any person responsible for the death of Krystal Fraser.

The Director of Public Prosecutions will consider, according to established guidelines, the granting of indemnification from prosecution to any person who provides information as to the identity of the principal offender or offenders in this matter.

Any information, which will be treated as confidential, may be given at any time to Crime Stoppers via Telephone number, Toll Free – 1800 333 000, or the Homicide Squad, 412 St Kilda Road, Melbourne, on telephone number (03) 9865 2770 during normal business hours.

DANNYE MOLONEY Assistant Commissioner of Police

#### DISSOLUTION OF PARTNERSHIP

Notice is hereby given that the partnership registered as GE Commercial Finance (the partnership established under Victorian law under the name 'GE Commercial Finance' between GE Commercial Finance No. 1 Pty Limited, ACN 109 653 321, and GE Commercial Finance No. 2 Pty Limited, ACN 109 652 833), and conducting business at 572 Swan Street, Burnley, Victoria 3121, was dissolved on 27 September 2012. KENNETH ROSS PATON, late of 12 Park Street, Geelong, Victoria, farmer, deceased.

Creditors, next-of-kin and others having claims against the estate of the deceased, who died on 18 December 2011, are required by the executors of the Will, Carol Noel Blackney-Paton and Colin Mark Teek, to send particulars to them, care of Birdsey Dedman & Bartlett of 166a Ryrie Street, Geelong, solicitors, by 18 December 2012, after which date they may convey or distribute the assets, having regard only to the claims of which they have notice.

BIRDSEY DEDMAN & BARTLETT, solicitors, 166a Ryrie Street, Geelong 3220.

Re: BEVERLEY JOAN NILSSON, late of 119 Daley Street, Glenroy, Victoria, retired canteen assistant, deceased.

Creditors, next-of-kin and others having claims in respect of the estate of the deceased, who died on 19 May 2012, are required by the trustees, Murray Nilsson, Rhonda Woodhouse and Sharron Nilsson, to send particulars to the trustees, care of the undermentioned solicitors, within sixty days from the publication hereof, after which date the trustees may convey or distribute the assets, having regard only to the claims of which the trustees have notice.

DE MARCO LAWYERS,

794A Pascoe Vale Road, Glenroy 3046.

Re: Estate of MELVA FRANCES CLAXTON, deceased.

Creditors, next-of-kin or others having claims in respect of the estate of MELVA FRANCES CLAXTON, late of Boort Aged Care Hostel, 31 Kiniry Street, Boort, Victoria, widow, deceased, who died on 24 July 2012, are to send particulars of their claim to the executors, care of the undermentioned legal practitioners, by 17 December 2012, after which the executors will distribute the assets, having regard only to the claims of which they then have notice.

DWYER MAHON & ROBERTSON,

legal practitioners.

Beveridge Dome, 194–208 Beveridge Street, Swan Hill 3585. Re: GLADYS MARIE DEVERAUX, deceased.

Creditors, next-of-kin and others having claims in respect of the estate of the deceased, who died on 22 June 2011, are required by the trustees, David Alfred Deveraux, Julie Ann McQueen and Judith Marree Deveraux, to send particulars to them, care of the undersigned lawyers, by 12 December 2012, after which date the trustees may convey or distribute the assets, having regard only to the claims of which they then have notice.

GARDEN & GREEN, lawyers, 4 McCallum Street, Swan Hill, Victoria 3585.

Re: ANNIE O'BRYAN, deceased.

Creditors, next-of-kin and others having claims in respect of the estate of the deceased, who died on 9 July 2012, are required by the trustee, Margaret Anne O'Bryan, to send particulars to her, care of the undersigned, by 19 December 2012, after which date the trustee may convey or distribute the assets, having regard only to the claims of which she then has notice.

GARDEN & GREEN, lawyers,

4 McCallum Street, Swan Hill, Victoria 3585.

Re: BRIAN JOSEPH RICHMOND, deceased.

Creditors, next-of-kin and others having claims in respect of the estate of the deceased, who died on 28 February 2012, are required by the trustee, Angela Marie Chaplin, to send particulars to her, care of the undersigned practitioners, by 19 December 2012, after which date the trustee may convey or distribute the assets, having regard only to the claims of which she then has notice.

GARDEN & GREEN, lawyers, 4 McCallum Street, Swan Hill, Victoria 3585.

#### Re: WILMA ROWE STABB, deceased.

Creditors, next-of-kin and others having claims in respect of the estate of the deceased, who died on 26 September 2012, are required by the trustees, Robyn Wilma Tucker and Edward Ian Stabb, care of Henderson & Ball, 17 Cotham Road, Kew, to send particulars to the trustees by 31 December 2012, after which date the trustees may convey or distribute the assets, having regard only to the claims of which the trustees have notice.

HENDERSON & BALL,

17 Cotham Road, Kew, Victoria 3101.

Re: ALAN GEORGE LEWERS SHAW, late of 161 Domain Park, 193 Domain Road, South Yarra, Victoria.

Creditors, next-of-kin and others having claims in respect of the estate of the deceased, who died on 5 April 2012, are required by the trustee, Perpetual Trustees Victoria Limited of Level 35, Rialto South Tower, 525 Collins Street, Melbourne, Victoria, and William Stephen Kimpton, care of 140 William Street, Melbourne, Victoria, to send particulars to the trustees by 17 December 2012, after which date the trustees may convey or distribute the assets, having regard only to the claims of which the trustees have notice.

MADDOCKS, lawyers,

140 William Street, Melbourne 3000.

WILLIAM ALFRED PARNHAM, late of 43 Margate Avenue, Frankston, Victoria, retired, deceased.

Creditors, next-of-kin and others having claims in respect of the estate of the deceased, who died on 23 March 2012, are required by Charles Percy McConville, the executor of the Will of the deceased, to send particulars of their claims to him, care of the undermentioned solicitors, by 17 December 2012, after which date he will convey or distribute the assets, having regard only to the claims of which he then has notice.

MICHAEL ONGARELLO & ASSOCIATES PTY LTD, lawyers, Level 2, 454 Nepean Highway, Frankston,

Victoria 3199.

#### Trustee Act 1958

Notice Pursuant to Section 33

COLIN JAMES BAXTER, late of Unit 2, 17 Kanandah Court, Research, Victoria, retired, deceased.

Creditors, next-of-kin and others having claims in respect of the estate of the deceased, who died on 2 July 2012, are required by the trustee, Joseph Giammario, care of M. K. Steele & Giammario of Suite 1, 1st Floor, corner Grimshaw and Church Streets, Greensborough, in the State of Victoria, to send particulars to him by 18 December 2012, after which date the trustee may convey or distribute the assets, having regard only to the claims of which he then has notice.

Dated 11 October 2012

Re: MARGARET ELLEN EDITH SPICER, deceased.

Creditors, next-of-kin and others having claims in respect of the estate of the deceased, late of Hedley Sutton Hostel, 19 Canterbury Road, Camberwell, Victoria, who died on 13 June 2012, are required by the trustee, Peter James Loftus, to send particulars to the trustee, care of the undermentioned solicitors, by 31 December 2012, after which date the trustee may convey or distribute the assets, having regard only to the claims of which the trustee has notice.

MOORES LEGAL, lawyers, 9 Prospect Street, Box Hill 3128.

Re: GERTRUD LAU (in the Will called 'Gertrude Lau'), late of 6 Woodlands Avenue, Camberwell, Victoria, home duties, deceased.

Creditors, next-of-kin and others having claims in respect of the estate of the deceased, who died on 12 June 2011, are required by the executor, Matthew Phillip Belleville (in the Will called 'Matthew Belleville'), of 161 Evans Street, Port Melbourne, Victoria, tax accountant, to send particulars to him (care of the undersigned) by 18 December 2012, after which date he may convey or distribute the assets, having regard only to the claims of which he has notice.

RENNICK & GAYNOR, solicitors, 431 Riversdale Road, Hawthorn East, Victoria 3123.

BETH LORRAINE KEADY (also known as Lorraine Keady and Betty Lorraine Keady), deceased.

Creditors, next-of-kin and others having claims in respect of the estate of the deceased, who died on 22 May 2012, are required by the trustees, Dean Richard Keady and Deborah Anne Neumann, to send particulars of such claims to them, in care of the undermentioned lawyers, by 19 December 2012, after which date the trustees may convey or distribute the assets, having regard only to the claims of which they then have notice.

ROBERTS BECKWITH PARTNERS, lawyers, 16 Blamey Place, Mornington, Victoria 3931.

Re: MARJORIE JEAN SMITH (in the Will called Majorie Jean Smith), late of Embracia on the Park, 21–25 Inverness Street, Clarinda, Victoria, pensioner, deceased.

Creditors, next-of-kin and others having claims in respect of the estate of the deceased, who died on 7 July 2012, are required by Peter Mark Smith and Beverley Jean Norton, the trustees of the estate of the deceased, to send particulars of their claims to them, care of the undermentioned lawyers, by 19 December 2012, by which date the trustees may convey or distribute the assets, having regard only to the claims of which the trustees have notice.

RUSSO PELLICANO CARLEI, lawyers, 43 Atherton Road, Oakleigh, Victoria 3166.

#### Re: SELMA SUSAN GARVIN, deceased.

Creditors, next-of-kin and others having claims in respect of the estate of the deceased, who died on 21 April 2012, are required by the trustees, Sandhurst Trustees Limited, ACN 004 030 737, of 18 View Street, Bendigo, Victoria, Leigh Douglas Barry Garvin and Peter George Barry Garvin, care of 18 View Street, Bendigo, Victoria, to send particulars to the trustees by 21 December 2012, after which date the trustees may convey or distribute the assets, having regard only to the claims of which the trustees have notice.

SANDHURST TRUSTEES LIMITED, 18 View Street, Bendigo 3550.

Re: LIONEL JACKSON, deceased.

Creditors, next-of-kin and others having claims in respect of the estate of the deceased, who died on 23 August 2011, are required by the trustee, Sandhurst Trustees Limited, ACN 004 030 737, of 18 View Street, Bendigo, Victoria, to send particulars to the trustee by 18 December 2012, after which date the trustee may convey or distribute the assets, having regard only to the claims of which the trustee has notice.

SANDHURST TRUSTEES LIMITED, 18 View Street, Bendigo 3550.

ELIZABETH WILMET JENKINS, late of 35A Lakeview Drive, Lakes Entrance, Victoria, deceased.

Creditors, next-of-kin and others having claims in respect of the estate of the deceased, who died on 4 July 2012, are required by the executors, Robert Darragh Jenkins, of 1730 Bruthen–Buchan Road, Buchan South, Victoria, and Kenneth Wayne Darragh Jenkins, of 2513 Princes Highway, Nowa Nowa, Victoria, to send particulars to them, care of Stidston Warren Lawyers, by 22 December 2012, after which date the executors may convey or distribute the assets, having regard only to the claims of which they then have notice.

STIDSTON WARREN LAWYERS, Suite 1, 10 Blamey Place, Mornington 3931.

PHYLLIS JOSEPHINE PARKER, late of 1 Chivers Road, Templestowe, Victoria, deceased.

Creditors, next-of-kin and others having claims in respect of the estate of the deceased, who died on 9 January 2012, are required by Hugh John Slako of 22 Parwan Crescent, Mornington, Victoria, the son-in-law, and Dawn Mary Alemian of 41 Kitchener Street, Kilburn, South Australia, the daughter of the deceased, to whom Letters of Administration of the abovenamed have been granted, to send particulars to them, care of Stidston Warren Lawyers, by 22 December 2012, after which date the administrators may convey or distribute the assets, having regard only to the claims of which they then have notice.

STIDSTON WARREN LAWYERS, Suite 1, 10 Blamey Place, Mornington 3931. *G* 42 18 October 2012 2285

DAVID NAPIER STOTT, late of 12 Darcy Street, Mornington, Victoria, deceased.

Creditors, next-of-kin and others having claims in respect of the estate of the deceased, who died on 3 July 2012, are required by the executor, Sam Stidston of Suite 1, Level 1/10 Blamey Place, Mornington, Victoria, to send particulars to him, care of Stidston Warren Lawyers, by 22 December 2012, after which date the executor may convey or distribute the assets, having regard only to the claims of which he then has notice.

STIDSTON WARREN LAWYERS, Suite 1, 10 Blamey Place, Mornington 3931.

DOROTHY GARTON COVENTRY, late of 67–69 Tanti Avenue, Mornington, Victoria, deceased.

Creditors, next-of-kin and others having claims in respect of the estate of the abovenamed deceased, who died on 21 April 2012, are required to send particulars of their claims to the executors, John Burnett Symons and Terrence William Coventry, care of the undermentioned solicitors, within 60 days from the date of publication of this notice, after which date the said executors will distribute the assets, having regard only to the claims of which they then have notice.

T. J. MULVANY & CO., lawyers, Suite 5.01, Level 5, 45 William Street, Melbourne, Victoria 3000.

Re: ANGELA RAFTOPOULOS, late of 10 Omar Street, Lower Templestowe, Victoria.

Creditors, next-of-kin and others having claims in respect of the estate of the deceased, who died on 16 July 2012, are required to send particulars of their claims to the administrator, care of Level 3, 20–22 McKillop Street, Melbourne, Victoria 3000, by 18 January 2013, after which date the administrator may convey or distribute the assets, having regard only to the claims of which he may then have notice.

WILLS & PROBATE VICTORIA, lawyers, Level 3, 20–22 McKillop Street, Melbourne 3000.



This Notice replaces the notice published in the Victoria Government Gazette G34 page 1869 dated 23 August 2012.

Pursuant to section 206 and clause 3 of schedule 10 of the Local Government Act 1989, Banyule City Council, at its ordinary meeting held on 13 August 2012, having formed the opinion that the section of road shown hatched and cross-hatched on the plan below is not reasonably required as a road for public use, resolved to discontinue the section of 'road' and to sell the land to the abutting owners subject to any right, power or interest held by Yarra Valley Water Ltd in the cross-hatched section of road in connection with any sewers, drains or pipes under the control of that authority in or near the road.



#### WELLINGTON SHIRE COUNCIL

#### Public Highway Declaration

Pursuant to section 204(1) of the Local Government Act 1989 ('the Act') the Wellington Shire Council, at its meeting on 4 September 2012, resolved to declare the road between 22 and 24 Desailly Street, and at the rear of 20 to 28 Desailly Street, Sale, as shown hatched on the plan below, as a Public Highway for the purposes the Act.



Dated 2 October 2012

DAVID MORCOM Chief Executive Officer

### GREATER GEELONG CITY COUNCIL Road Discontinuance

Pursuant to section 206 and schedule 10, clause 3 of the **Local Government Act 1989**, the Chief Executive Officer of Greater Geelong City Council has, on 2 February 2012, under the powers delegated by resolution of Council, formed the opinion that part of the road between Hoptoun Street and St Leonards Road, St Leonards, shown by the hatching on the diagram below, is not reasonably required for public use.

It is proposed to offer the discontinued road for purchase by the adjoining property owner for incorporation into her existing property.



## YARRA RANGES SHIRE COUNCIL

General Provisions Local Law 2012 – Police Officer Enforcement

Notice is given pursuant to section 224A(2) of the **Local Government Act 1989**, that any police officer may enforce the provisions of Part 10 of the General Provisions Local Law 2012, relating to the use, possession or consumption of liquor.

GLENN PATTERSON Chief Executive Officer

## Planning and Environment Act 1987

BAW BAW PLANNING SCHEME

Notice of the Preparation of an Amendment to a Planning Scheme and Notice of an Application for Planning Permit Given under Section 96C of the **Planning and Environment Act 1987** 

Amendment C84 Authorisation A02392 Planning Permit Application PLA0231/12 The land affected by the Amendment is 1020 Main South Road, Drouin South, being Crown Allotment 120C Longwarry Parish and Consolidated Plan 166997 Longwarry Parish.

The land affected by the application is 1020 Main South Road, Drouin South, being Crown Allotment 120C Longwarry Parish and Consolidated Plan 166997 Longwarry Parish.

The Amendment proposes to rezone the land from Farming Zone to the Special Use Zone 4 – Drouin South Airfield.

The application is for a permit to undertake buildings and works including the construction of hangars, sealing of a taxiway and car park and the removal of native vegetation.

The person who requested the Amendment is Terrence Williamson.

The applicant for the permit is Terrence Williamson.

You may inspect the Amendment, the explanatory report about the Amendment, the application, and any documents that support the Amendment and the application, including the proposed permit, free of charge, at the following locations: during office hours, at the office of the planning authority, Baw Baw Shire Council, 61 Smith Street, Warragul; and at the Department of Planning and Community Development website, www.dpcd.vic.gov.au/planning/publicinspection

Any person who may be affected by the Amendment or by the granting of the permit may make a submission to the planning authority.

The closing date for submissions is 19 November 2012. A submission must be sent to the Baw Baw Shire Council, PO Box 304, Warragul 3820.

Certified in accordance with section 55D of the Local Government Act 1989 by Helen Anstis, Chief Executive Officer. Civic Place, Warragul.

#### Planning and Environment Act 1987

#### GREATER BENDIGO PLANNING SCHEME

Notice of the Preparation of an Amendment to a Planning Scheme and Notice of an Application for Planning Permit Given under Section 96c of the

Planning and Environment Act 1987

Amendment C130

Authorisation A02161

Planning Permit Application DC/635/2011

The land affected by the Amendment is 13 and 17 Chauncey Street and 30 Playne Street, Heathcote, which is currently Residential 1 Zone.

The land affected by the application is 175–177 High Street, 30 Playne Street, 13 and 17 Chauncey Street, Heathcote.

The Amendment proposes to facilitate the expansion and redevelopment of the 'Champions Supa IGA' supermarket on the subject site by rezoning the land from Residential 1 Zone to Business 1 Zone and removing the Neighbourhood Character Overlay, Schedule 1.

The application is for a permit for development of a Shop (Supermarket) and Car Park, Reduction of Car Parking, Business Identification Signage, Alteration to Packaged Liquor Sales Location and Alteration to Access to a RDZ1 Road.

The person who requested the Amendment is Compton Heights Pty Ltd, care of Centrum Town Planning.

The applicant for the permit is Compton Heights Pty Ltd, care of Centrum Town Planning.

You may inspect the Amendment, the explanatory report about the Amendment, the application, and any documents that support the Amendment and the application, including the proposed permit, free of charge, at the following locations: during office hours, at the office of the planning authority, the Planning Department Office, City of Greater Bendigo, Hopetoun Mill, 15 Hopetoun Street, Bendigo and the City of Greater Bendigo, Heathcote Office; at the City of Greater Bendigo website, http://www.bendigo.vic.gov.au/Residents and Services/Planning Services/Planning scheme amendments; and at the Department of Planning and Community Development website, www. dpcd.vic.gov.au/planning/publicinspection

Any person who may be affected by the Amendment or by the granting of the permit may make a submission to the planning authority.

The closing date for submissions is Monday 19 November 2012. A submission must be sent to the City of Greater Bendigo Planning Department, PO Box 733, Bendigo, Victoria 3550, or via email to planningenquires@ bendigo.vic.gov.au

> CRAIG NIEMANN Chief Executive Officer

#### **Planning and Environment Act 1987**

HEPBURN PLANNING SCHEME

Notice of Preparation of Amendment

#### Amendment C57

#### Authorisation A02388

The Hepburn Shire Council has prepared Amendment C57 to the Hepburn Planning Scheme.

In accordance with section 8A(3) of the **Planning and Environment Act 1987**, the Minister for Planning authorised the Hepburn Shire Council as planning authority to prepare the Amendment.

The land affected by the Amendment is 146 Daylesford–Trentham Road (Knox Street), Daylesford (Lot 1, PS 628986W).

The Amendment proposes to rezone 146 Daylesford–Trentham Road (Knox Street), Daylesford (Lot 1, PS 628986W), from Farming to Public Use Zone 5 (Cemetery/Crematorium) to facilitate the extension of the Daylesford Cemetery.

You may inspect the Amendment, any documents that support the Amendment and the explanatory report about the Amendment, free of charge, at the following locations: during office hours, at the office of the planning authority, Hepburn Shire Council, corner Duke Street and Albert Street, Daylesford; and at the Department of Planning and Community Development website, www.dpcd.vic.gov.au/ planning/publicinspection

Any person who may be affected by the Amendment may make a submission to the planning authority.

A submission must be sent to the Hepburn Shire Council, Manager Planning, PO Box 21, Daylesford 3460. The closing date for submissions is 20 November 2012.

Planning and Environment Act 1987

STRATHBOGIE PLANNING SCHEME

Notice of Preparation of Amendment

Amendment C59

#### Authorisation A02354

The Strathbogie Shire Council has prepared Amendment C59 to the Strathbogie Planning Scheme. In accordance with section 8A(3) of the **Planning and Environment Act 1987**, the Minister for Planning authorised the Strathbogie Shire Council as planning authority to prepare the Amendment.

The land affected by the Amendment is 71 Railway Street, Euroa.

The Amendment proposes to apply the Heritage Overlay (HO30) to the former Soldiers Memorial Hall, 71 Railway Street, Euroa, including the land/building as Heritage Place 30 in the schedule to the Heritage Overlay.

You may inspect the Amendment, any documents that support the Amendment and the explanatory report about the Amendment, free of charge, at the following locations: during office hours, at the office of the planning authority, corner Binney and Bury Streets, Euroa; and at the Department of Planning and Community Development website, www.dpcd.vic.gov.au/ planning/publicinspection

Any person who may be affected by the Amendment may make a submission to the planning authority.

The closing date for submissions is 19 November 2012. A submission must be sent to the Strathbogie Shire Council, PO Box 177, Euroa, Victoria 3666.

> S. CRAWCOUR Chief Executive Officer Strathbogie Shire Council

Creditors, next-of-kin and others having claims against the estate of any of the undermentioned deceased persons are required to send particulars of their claims to State Trustees Limited, ABN 68 064 593 148, of 168 Exhibition Street, Melbourne, Victoria 3000, the personal representative, on or before 21 December 2012, after which date State Trustees Limited may convey or distribute the assets, having regard only to the claims of which State Trustees Limited then has notice.

- BEEDALL, Barrie Malcolm, late of 12 Willard Court, Lalor, Victoria 3075, retired, deceased, who died on 5 August 2012.
- COE, Karen Lee, late of Unit 2/37 Cypress Avenue, Boronia, Victoria 3155, deceased, who died on 19 July 2012.

- DIXON, Rita Jane, late of Delany Manor, 123 Delany Avenue, Bright, Victoria 3741, deceased, who died on 26 August 2012.
- LLOYD, Joyce Mavis, late of 5 Lower Boronia Crescent, Macleod, Victoria 3085, pensioner, deceased, who died on 5 September 2012.
- SHANN, Leon, late of Unit 2/50 Ashmore Street, Brunswick, Victoria 3056, retired, deceased, who died on 17 September 2012.
- VON KRANZ, Connie, late of Holmwood Private Nursing Home, 17–19 Lalors Road, Healesville, Victoria 3777, home duties, deceased, who died on 23 July 2012.
- WHITE, Leonard, late of Wantirna Palliative Care, 251 Mountain Highway, Wantirna South, Victoria 3152, deceased, who died on 10 September 2012.
- WOJCIK, Janina, late of Clovelly Nursing Home, 16 Stewart Street, Boronia, Victoria 3155, pensioner, deceased, who died on 26 October 2010.
- WOZNIAK, Maria, late of Sutton Park Assisted Aged Care, corner Exford and Bridge Road, Melton South, Victoria 3338, deceased, who died on 21 April 2012.

Dated 12 October 2012

STEWART MacLEOD Manager

Creditors, next-of-kin and others having claims against the estate of any of the undermentioned deceased persons are required to send particulars of their claims to State Trustees Limited, ABN 68 064 593 148, of 168 Exhibition Street, Melbourne, Victoria 3000, the personal representative, on or before 20 December 2012, after which date State Trustees Limited may convey or distribute the assets, having regard only to the claims of which State Trustees Limited then has notice.

- COWAN, Jean Isobel, care of 40 Perceval Crescent, Taylors Lakes, Victoria 3038, pensioner, deceased, who died on 11 July 2012.
- HURLEY, Francis, late of 35 Stafford Street, Northcote, Victoria 3070, deceased, who died on 25 July 2012.
- JELINEK, Egon, late of 117 Derby Road, Shenton Park, WA 6008, deceased, who died on 13 May 2012.

- MEDLICOTT, James Edward, late of Bupa Edithvale, 256–260 Station Street, Edithvale, Victoria 3196, deceased, who died on 14 July 2012.
- MOORE, Elsa Maie, late of Sir Eric Pearce House, 273 Church Street, Richmond, deceased, who died on 8 February 2012.
- NEILSON, Stanley, late of Flat 3/51 Alma Street, West Footscray, Victoria 3012, deceased, who died on 3 July 2012.
- OKE, Betty, late of Unit 41 Templestowe Retirement Village, 29 Fitzsimons Lane, Templestowe, Victoria 3106, retired, deceased, who died on 6 September 2012.
- RENDI, Jindra, late of Grace Villa Aged Care, 25–33 Grimshaw Street, Greensborough, Victoria 3088, retired, deceased, who died on 9 August 2012
- RUSSELL, Leslie James, late of Unit 11, 152 Canterbury Road, Canterbury, Victoria 3126, retired, deceased, who died on 12 July 2012.

Dated 11 October 2012

STEWART MacLEOD Manager

Creditors, next-of-kin and others having claims against the estate of any of the undermentioned deceased persons are required to send particulars of their claims to State Trustees Limited, ABN 68 064 593 148, of 168 Exhibition Street, Melbourne, Victoria 3000, the personal representative, on or before 18 December 2012, after which date State Trustees Limited may convey or distribute the assets, having regard only to the claims of which State Trustees Limited then has notice.

- GULLIFORD, Joan Elizabeth, late of 9 Havelock Street, Burwood, Victoria 3125, retired, deceased, who died on 18 June 2012.
- JACKSON, Judith Ann, late of Flat 5/4 Hughenden Road, St Kilda East, Victoria 3183, retired, deceased, who died on 1 August 2012.
- MORRISSEY, Debra Lee, late of 28 Holberg Street, Moonee Ponds, Victoria 3039, deceased, who died on 29 January 2012.
- STEDWELL, Myrtle Isobel, late of Medina Manor, 200A Smith Street, Thornbury, Victoria 3071, pensioner, deceased, who died on 17 August 2012.

WALKER, John William, late of Unit 16/4 Chapel Street, Maldon, Victoria 3463, retired, deceased, who died on 27 July 2012. Dated 9 October 2012

> STEWART MacLEOD Manager

### INTERIM EXEMPTION

#### Application No. A201/2012

The Victorian Civil and Administrative Tribunal has considered an application pursuant to section 89 of the **Equal Opportunity Act 2010** (the Act) by Carey Baptist Grammar School Limited (the applicant). The application for exemption is to enable the applicant to advertise for prospective female students to enter the school and, to manage its waiting lists, allocate student placements and offer bursaries and enrolments targeted at prospective female students, so as to promote and maintain a gender balance of the students at the school (the exempt conduct).

Upon reading the material filed in support of this application, including the affidavit of Philip Grutzner, and having had regard to Reasons for Decision dated 23 October 2009 regarding an earlier exemption which expired on 14 October 2012, the Tribunal is satisfied that it is appropriate to grant an interim exemption from sections 38, 44, 107 and 182 of the Act to enable the applicant to engage in the exempt conduct until the application is finally heard and determined.

This interim exemption is subject to the condition that, if at any time there is an equal gender balance in the male and female students in each and every year level at each campus of the school operated by the applicant, the applicant must as soon as practicable advise the Tribunal in writing that this has occurred.

The Tribunal hereby grants an interim exemption from the operation of sections 38, 44, 107 and 182 of the Act to enable the applicant to engage in the exempt conduct.

This exemption is to remain in force from the day on which notice of the exemption is published in the Government Gazette until 31 January 2013.

Dated 15 October 2012

A. DEA Member

## Department of Treasury and Finance SALE OF CROWN LAND BY PUBLIC AUCTION Public Auction to be held on site 11.00 am Saturday 10 November 2012

Reference: F12/790.

Address of Property: Great Alpine Road, Freeburgh.

Crown Description: Crown Allotment 26G, Parish of Freeburgh.

**Terms of Sale:** 10% deposit, balance payable in 30/60 days or earlier by mutual agreement. **Area:** 2108 m<sup>2</sup>.

**Officer Co-ordinating Sale:** Julie Gould, Land and Property Group, Commercial Division, Department of Treasury and Finance, 5/1 Treasury Place, Melbourne, Victoria 3002.

Selling Agent: Dickens Real Estate, 20 Ireland Street, Bright, Victoria 3741.

GORDON RICH-PHILLIPS MLC Assistant Treasurer

#### Bus Safety Act 2009 (Vic.)

## DECLARATION UNDER SECTION 7(1)(c)

I, Stephen Turner, delegate of the Director, Transport Safety, in exercise of the powers vested in me under section 7(1)(c) of the **Bus Safety Act 2009** (Vic.) hereby declare the following courtesy bus services within the meaning of section 3(1) of the **Bus Safety Act 2009** (Vic.) to be non-commercial courtesy bus services for the purpose of section 3(1) of the **Bus Safety Act 2009** (Vic.):

Bus Operator Name:	ACN/ARBN:	Registered Address:
ATS Australasian Technical Services Pty Ltd	065 220 831	10/15 Ricketts Road, Mount Waverley, Victoria 3149
Menzies Incorporated	55 784 349 165	408 Nepean Highway, Frankston, Victoria 3199
Metropolitan Fire and Emergency Services Board	28 598 558 561	450 Burnley Street, Richmond, Victoria 3121

This declaration is made on the basis that the non-commercial courtesy bus operators specified above:

- (a) have provided evidence that they do not derive any profit from the provision of the bus service; and
- (b) only use the bus service to transport their staff/employees in connection with their trade or business.

This declaration is made following consultation with the affected operators and sectors of the industry as required under section 7(2) of the **Bus Safety Act 2009** (Vic.). Dated 11 October 2012

STEPHEN TURNER Delegate of the Director, Transport Safety Director, Bus Safety

#### **County Court Act 1958**

#### **COUNTY COURT SITTINGS 2013**

Notice is given of the sitting of the County Court of Victoria to be held at each of the undermentioned places to commence on 1 January 2013:

Bairnsdale, Ballarat, Bendigo, Geelong, Hamilton, Horsham, Melbourne, Mildura, Morwell, Sale, Shepparton, Wangaratta, Warrnambool and Wodonga.

> MICHAEL ROZENES Chief Judge of the County Court of Victoria

#### **County Court Act 1958**

NOTICE OF KOORI COURT VENUES 2013

Pursuant to section 4A(3) of the **County Court Act 1958**, I direct that the Koori Court Division of the County Court of Victoria sit and act at the following venues:

Bairnsdale, Ballarat, Bendigo, Geelong, Hamilton, Horsham, Latrobe Valley, Melbourne, Mildura, Sale, Shepparton, Wangaratta, Warrnambool and Wodonga.

> MICHAEL ROZENES Chief Judge County Court of Victoria

#### Education and Training Reform Act 2006 NOTICE OF ORDER

Parkwood Secondary College Council

Notice is given that on 8 October 2012 an Order was made under sub-section (6) of section 2.3.2 of the **Education and Training Reform Act 2006** and that the Order will take effect on 1 January 2013.

The general purpose of the Order (No. 605) is to dissolve Parkwood Secondary College Council three months after the date on which the Order takes effect.

THE HON. MARTIN DIXON, MP Minister for Education

#### Education and Training Reform Act 2006 NOTICE OF ORDER

Endeavour Hills Secondary College Council

Notice is given that on 8 October 2012 an Order was made under sub-section (6) of section 2.3.2 of the Education and Training Reform Act 2006 and that the Order will take effect on 1 January 2013.

The general purpose of the Order (No. 606) is to dissolve Endeavour Hills Secondary College Council three months after the date on which the Order takes effect.

THE HON. MARTIN DIXON, MP Minister for Education

#### Education and Training Reform Act 2006 NOTIFICATION CANCELLING THE

REGISTRATION OF A TEACHER

Pursuant to section 2.6.46 of the Education and Training Reform Act 2006 (the Act), the Victorian Institute of Teaching (the Institute) may find a teacher has engaged in serious misconduct, has been seriously incompetent and/or is not fit to teach and may make a determination pursuant to subsection 2.6.46(2) including cancel the registration of the teacher.

On 10 September 2012, Peter Barry Chappell (Registration Number 259547) was found guilty of serious misconduct and not fit to teach.

On 10 September 2012, Peter Barry Chappell's registration to teach was cancelled, effective from 10 September 2012.

ANNE SARROS Chairperson Disciplinary Proceedings Committee Victorian Institute of Teaching

#### Forests Act 1958

#### REVOCATION OF DETERMINATION OF FIREWOOD COLLECTION AREAS

I, Dale Antonysen, District Chief Ranger Mallee, Parks Victoria, as delegate of the Secretary to the Department of Sustainability and Environment, under section 57U of the **Forests Act 1958**, revoke the determination of the firewood collection areas described in items 97 and 98 of the table in the determination made under section 57U of the **Forests Act 1958** on 29 August 2012 and published in the Government Gazette No. S 295 on 30 August 2012.

This amendment comes into operation on the date on which it is published in the Government Gazette.

Dated 10 October 2012

DALE ANTONYSEN District Chief Ranger Mallee Parks Victoria as delegate of the Secretary to the Department of Sustainability and Environment

## Drugs, Poisons and Controlled Substances Act 1981

#### APPROVAL UNDER SECTION 14A

- 1. Under section 14A(1) of the **Drugs, Poisons and Controlled Substances Act 1981** ('the Act'), I, David Davis, Minister for Health, approve the Schedule 2, 3 and 4 poisons listed in the tables below for the purposes of the following authorisation under section 13(1)(bb):
  - a) in relation to registered nurses who are endorsed under section 94 of the Health Practitioner Regulation National Law as qualified to obtain, supply and administer Schedule 2,3,4 and 8 medicines for nursing practice in a rural and isolated practice area.
- 2. Under section 14A(1A) of the Act, for the purposes of the above authorisation under section 13(1)(bb), I approve:
  - (a) the health services listed in clause 4 of this approval as the health services in which the Schedule 2, 3 and 4 poisons listed in the tables below can be used, sold or supplied; and
  - (b) that the clinical circumstances and the route of administration in which the listed Schedule 2, 3 and 4 poisons are to be used, sold or supplied are as set out in the tables below and in accordance with the Primary Clinical Care Manual (PCCM) 7th Edition 2011 written by Queensland Health and the Royal Flying Doctor Service (Queensland Section) at http://www.health.qld.gov.au/pccm/ and as amended from time to time and published by the Queensland Government.

Note: a later edition of the PCCM is not to be taken as an amendment of the PCCM 7th edition.

This approval takes effect from the date of publication in the Victoria Government Gazette.

#### 3. Tables of Poisons

## Schedule 2 Poisons

Poison	Clinical circumstance	Route of administration	Use	Supply
Clotrimazole	Tinea/Ringworm	Topical	No	Yes
Clotrimazole	Candidiasis	Topical	No	Yes
Lignocaine	Genital Sores/Ulcers	Topical	No	Yes
Miconazole	Tinea/Ringworm	Topical	No	Yes
Miconazole	Candidiasis	Topical		Yes
Paracetamol	Simple analgesia for adults and children	Oral	Yes	Yes

## **Schedule 3 Poisons**

Poison	Clinical circumstance	Route of administration	Use	Supply
Chloramphenicol	Flash burn to the eye	Topical to eye	Yes	Yes
Chloramphenicol	Bacterial/Viral Conjunctivitis	Topical to eye	Yes	Yes
Chloramphenicol	Foreign body/ Corneal abrasion	Topical to eye	Yes	Yes
Clotrimazole	Vaginitis	Topical	No	Yes

Poison	Clinical circumstance	Route of administration	Use	Supply
Miconazole	Oral Thrush/Candidiasis	Oral	No	Yes
Nystatin	Oral Thrush/Candidiasis	Topical	No	Yes
Paracetamol and Codeine preparation	Simple analgesia for adults and children >12 years	Oral	Yes	Yes

## **Schedule 4 Poisons**

Poison	Clinical circumstance	Route of administration	Use	Supply
Amoxycillin	Trauma to teeth	Oral	Yes	Yes
Amoxycillin	Tooth abscess	Oral	No	Yes
Amoxycillin	Upper Respiratory Tract Infection (Child)	Oral	No	Yes
Amoxycillin	Otitis Media – acute	Oral	No	Yes
Amoxycillin	Human (Tooth Knuckle) and animal bites	Oral	No	Yes
Amoxycillin	Laceration – Marine	Oral	No	Yes
Amoxycillin	Otitis media with effusion	Oral	No	Yes
Albendazole	Intestinal worms	Oral	Yes	No
Amoxycillin and Clavulanic Acid preparation	Human (Tooth Knuckle) and animal bites	Oral	No	Yes
Amoxycillin and Clavulanic Acid preparation	Laceration – Marine	Oral	No	Yes
Amoxycillin	Otitis media with effusion	Oral	No	Yes
Azithromycin	Genital Sores/ulcers (Donovanosis)	Oral	Yes	No
Azithromycin	Low abdominal pain in female (possible Pelvic Inflammatory Disease)	Oral	Yes	No
Azithromycin	Genital Sores/ulcers (Syphilis)	Oral	Yes	No
Azithromycin	Epididymo-orchitis	Oral	Yes	No
Benzathine Penicillin	Upper Respiratory Tract Infection Adult	Intramuscular	Yes	No
Benzathine Penicillin	Upper Respiratory Tract Infection (child)	Intramuscular	Yes	No
Benzathine Penicillin	Human (Tooth Knuckle) and animal bites	Intramuscular	Yes	No

Poison	Clinical circumstance	Route of administration	Use	Supply
Benzathine Penicillin	Genital sores/ulcers (Syphillis)	Intramuscular	Yes	No
Benzathine Penicillin	Acute Rheumatic Fever & Rheumatic Heart Disease	Intramuscular	Yes	No
Benzathine Penicillin	Impetigo	Intramuscular	Yes	No
Ceftriaxone	Low abdominal pain in female (possible Pelvic Inflammatory Disease)	Intramuscular	Yes	No
Ceftriaxone	Epididymo-orchitis	Intramuscular	Yes	No
Cephalexin	Cellulitis/ Erysipelas	Oral	No	Yes
Cephalexin	Impetigo	Oral	No	Yes
Cephalexin	Urinary Tract Infection in Pregnancy	Oral	No	Yes
Cephalexin	Urinary Tract Infection if allergic to trimethoprim	Oral	No	Yes
Ciprofloxacin	Epididymo-orchitis	Oral	Yes	No
Ciprofloxacin	Low abdominal pain in female (possible Pelvic Inflammatory Disease)	Oral	Yes	No
Clindamycin	Bacterial vaginosis	Topical	Yes	Yes
Clindamycin	Mastitis/breast abscess	Oral	No	Yes
Clindamycin	Cellulitis/ Erysipelas	Oral	No	Yes
Clindamycin	Trauma to teeth	Oral	Yes	Yes
Clindamycin	Tooth abscess	Oral	Yes	Yes
Clindamycin	Impetigo	Oral	Yes	Yes
Dexamethasone 0.5mg/ Framycetin Sulphate 5mg/ Gramicidin 0.05 mg/mL preparation	Chronic suppurative otitis media	Topical – ear drops	Yes	Yes
Dexamethasone 0.5mg/ Framycetin Sulphate 5mg/ Gramicidin 0.05 mg/mL preparation	Otitis Externa	Topical – ear drops	Yes	Yes
Dexamethasone 0.5mg/ Framycetin Sulphate 5mg/ Gramicidin 0.05 mg/mL preparation	Aural Foreign Body/Insect	Topical – ear drops	Yes	Yes

Poison	Clinical circumstance	Route of administration	Use	Supply
Dicloxacillin	Impetigo	Oral	No	Yes
Dicloxacillin	Cellulitis/ Erysipelas	Oral	No	Yes
Diphtheria, tetanus, acellular pertussis- containing vaccine (child formation) (DTPa)	Tetanus Immunisation (management of tetanus prone wound)	Intramuscular	Yes	No
Diphtheria, tetanus, acellular pertussis- containing vaccine (adult/ adolescent formulation) (dTpa)	Tetanus Immunisation (management of tetanus prone wound)	Intramuscular	Yes	No
Diphtheria, tetanus- containing vaccine (adult formulation) (dT or ADT)	Tetanus Immunisation (management of tetanus prone wound)	Intramuscular	Yes	No
Doxycycline	Human (Tooth Knuckle) and animal bites	Oral	No	Yes
Doxycycline	Low abdominal pain in female (possible Pelvic Inflammatory Disease)	Oral	No	Yes
Doxycycline	Epididymo-orchitis	Oral	No	Yes
Doxycycline	Laceration – Marine	Oral	No	Yes
Erythromycin	Acute Rheumatic Fever & Rheumatic Heart Disease	Oral	No	Yes
Flucloxacillin	Impetigo	Oral	No	Yes
Flucloxacillin	Mastitis/breast abscess	Oral	No	Yes
Flucloxacillin	Cellulitis/ Erysipelas	Oral	No	Yes
Flumethasone 0.02% + clioquinol 1%	Otitis externa			
IM procaine penicillin	Otitis Media – acute	Intramuscular	Yes	No
Lignocaine	Acute wounds – Lacerations, local anaesthesia	Subcutaneous	Yes	No
Metronidazole	Gingivitis	Oral	No	Yes
Metronidazole	Vaginitis/ Recurrent bacterial Vaginosis	Oral	Yes	Yes
Metronidazole	Low abdominal pain in female (possible Pelvic Inflammatory Disease)	Oral	No	Yes
Metronidazole	Tooth abscess	Oral	No	Yes

Poison	Clinical circumstance	Route of administration	Use	Supply
Metronidazole	Laceration – Marine	Oral	No	Yes
Metronidazole	Human (Tooth Knuckle) and animal bites	Oral	No	Yes
Metronidazole	Giardiasis	Oral	No	Yes
Mupirocin	Impetigo	Topical	No	Yes
Nitrofurantoin	Urinary Tract Infection in Pregnancy	Oral	No	Yes
Oxybuprocaine	Foreign body/Corneal abrasion	Topical to eye	Yes	No
Oxybuprocaine	Flash burn to the eye	Topical to eye	Yes	No
Phenoxymethylpenicillin	Upper Respiratory Tract Infection (adult)	Oral	No	Yes
Phenoxymethylpenicillin	Upper Respiratory Tract Infection (child)	Oral	No	Yes
Phenoxymethylpenicillin	Impetigo	Oral	No	Yes
Phenoxymethylpenicillin	Cellulitis/ Erysipelas	Oral	No	Yes
Procaine Penicillin	Cellulitis/ Erysipelas	Intramuscular	Yes	No
Roxithromycin	Impetigo – for patients with immediate penicillin hypersensitivity i.e. have anaphylaxis to penicillin	Oral		
Roxithromycin	Upper Respiratory Tract Infection (adult)	Oral	No	Yes
Roxithromycin	Upper Respiratory Tract Infection (child)	Oral	No	Yes
Roxithromycin	Otitis Media – acute	Oral	No	Yes
Silver Sulfadiazine	Minor burns	Topical	Yes	Yes
Tinidazole	Vaginitis	Topical	Yes	No
Tinidazole	Giardiasis	Oral	Yes	No
Triamcinolone	Otitis Externa	Topical – ear ointment	Yes	No
Trimethoprim	Urinary Tract Infection (Female only)	Oral	Yes	Yes
Trimethoprim	Upper Respiratory Tract Infection (child)	Oral	No	Yes
Valaciclovir	Genital Sores/Ulcers	Oral	No	Yes

#### 4. Health Services

Health Service	Campus
Alexandra District Hospital	Alexandra
Alpine Health	Myrtleford
Alpine Health	Bright
Alpine Health	Mt Beauty
Bairnsdale Regional Health Service	Bairnsdale
Bass Coast Regional Health	Wonthaggi
Beaufort and Skipton Health Service	Beaufort
Beaufort and Skipton Health Service	Skipton
Beechworth Health Service	Beechworth
Benalla Health	Benalla
Boort District Health	Boort
Casterton Memorial Hospital	Casterton
Castlemaine Health	Castlemaine
Central Gippsland Health Service	Maffra
Cobram District Health	Cobram
Cohuna District Hospital	Cohuna
Colac Area Health	Colac
Djerriwarrh Health Services	Bacchus Marsh
Dunmunkle Health Services	Rupanyup
East Grampians Health Service	Ararat
East Grampians Health Service	Willaura
East Wimmera Health Service	St Arnaud
East Wimmera Health Service	Birchip
East Wimmera Health Service	Charlton
East Wimmera Health Service	Donald
East Wimmera Health Service	Wycheproof
Edenhope and District Memorial Hospital	Edenhope
Gippsland Southern Health Service	Leongatha
Gippsland Southern Health Service	Korumburra
Heathcote Health	Heathcote
Hepburn Health Service	Daylesford
Hepburn Health Service	Creswick
Hesse Rural Health Service	Winchelsea
Heywood Rural Health	Heywood
Inglewood and Districts Health Service	Inglewood

Health Service	Campus
Kerang District Health	Kerang
Kilmore and District Hospital	Kilmore
Kooweerup Regional Health Service	Kooweerup
Kyabram and District Health Services	Kyabram
Kyneton District Health Service	Kyneton
Lorne Community Hospital	Lorne
Maldon Hospital	Maldon
Mallee Track Health and Community Service	Ouyen
Mallee Track Health and Community Service	Sea Lake
Mansfield District Hospital	Mansfield
Maryborough District Health Service	Maryborough
Maryborough District Health Service	Dunolly
Moyne Health Services	Port Fairy
Nathalia District Hospital	Nathalia
Numurkah and District Health Service	Numurkah
Omeo District Health	Omeo
Orbost Regional Health	Orbost
Otway Health and Community Services	Apollo Bay
Portland District Health	Portland
Robinvale District Health Services	Robinvale
Robinvale District Health Services	Manangatang
Rochester and Elmore District Health Service	Rochester
Rural Northwest Health	Warracknabeal
Rural Northwest Health	Hopetoun
Seymour Health	Seymour
South Gippsland Hospital	Foster
South West Healthcare	Camperdown
Stawell Regional Health	Stawell
Tallangatta Health Service	Tallangatta
Terang and Mortlake Health Service	Mortlake
Terang and Mortlake Health Service	Terang
Timboon and District Health Care Service	Timboon
Upper Murray Health and Community Services	Corryong
Western District Health Service	Penshurst
Western District Health Service	Coleraine
West Wimmera Health Service	Nhill

Health Service	Campus
West Wimmera Health Service	Jeparit
West Wimmera Health Service	Kaniva
West Wimmera Health Service	Rainbow
Wimmera Health Care Group	Dimboola
Yarram and District Health Service	Yarram
Yarrawonga Health	Yarrawonga
Yea and District Memorial Hospital	Yea

Dated 19 September 2012

#### HON DAVID DAVIS MP Minister for Health

#### Gas Industry Act 2001

#### NOTICE OF REVOCATION OF GAS RETAIL LICENCE

A Gas Retail Licence 11020/15 was issued to Santos Direct Pty Ltd (ABN 62 108 846 288) by the Essential Services Commission on 29 September 2004.

The Licence is revoked by agreement between the Essential Services Commission and Santos Direct Pty Ltd (ABN 62 108 846 288) in accordance with section 38(3) of the **Gas Industry Act 2001** and the terms of the licence. The licence revocation is effective from 11 October 2012. Dated 11 October 2012

DR RON BEN-DAVID Chairperson

#### **Geographic Place Names Act 1998**

#### NOTICE OF REGISTRATION OF GEOGRAPHIC NAMES

The Registrar of Geographic Names hereby gives notice of the registration of the undermentioned place names.

Road Naming:

Change Request Number	Road Name	Locality	Proposer & Location
38387	Gumbri Lane	Burnley	Yarra City Council
			Formerly known as North Street
			The road traverses north from West Street.

Office of Geographic Names Land Victoria 570 Bourke Street Melbourne 3000

> JOHN E. TULLOCH Registrar of Geographic Names

#### Land Acquisition and Compensation Act 1986

FORM 7 S. 21(a) Reg. 16

Notice of Acquisition

Compulsory Acquisition of Interest in Land

Barwon Region Water Corporation declares that by this notice it acquires the following interest in the land described as 2–38 Burvilles Road, Mount Duneed, being more particularly described as Certificate of Title Volume 10926 Folio 775:

An easement for sewerage purposes and for the distribution and/or supply of recycled water shown as E–1, comprising 2,188.3m<sup>2</sup> on Plan of Creation of Easement, dated 23 August 2012, a copy of which is available for perusal at the offices of Barwon Region Water Corporation at 61-67 Ryrie Street, Geelong.

Published with the authority of Barwon Region Water Corporation.

For and on behalf of

Barwon Region Water Corporation

SignedMICHAEL WATSON<br/>(Authorised officer of the Authority)Name andPositionMichael Watson, SecretaryDated18 October 2012

#### Land Acquisition and Compensation Act 1986

FORM 7	S. 21(a)
	Reg. 16

#### Notice of Acquisition

Compulsory Acquisition of Interest in Land

Greater Shepparton City Council declares that by this notice it acquires the following interest in the land described in Certificate of Title Volume 8047 Folio 017 ('Land').

**Interest Acquired**: An interest in fee simple in that part of the Land shown as Reserve No. 1 and No. 2 on proposed PS649100C and Reserve No. 1 on proposed PS649092X (the 'Plans').

**Registered Proprietor/interest holder**: Trojano Darveniza, Kathleen Lorraine Darveniza, Leo Darveniza, Kathleen Darveniza and all other interested parties. A copy of the Plans are attached to the Notice of Intention to Acquire registered in dealing number AJ968904D and are also available for perusal at the offices of Greater Shepparton City Council of 90 Welsford Street, Shepparton, Victoria 3630.

Published with the authority of the Greater Shepparton City Council.

Dated 16 October 2012

Signed DEAN ROCHFORT Director Sustainable Development For and on behalf of Greater Shepparton City Council



## Marine Safety Act 2010 NOTICE OF BOATING ACTIVITY EXCLUSION ZONE

In accordance with section 208(2) of the **Marine Safety Act 2010** (Act) the Hindmarsh Shire Council hereby gives notice that the waters of the Wimmera River at Dimboola between the Lloyd Street Boat Ramp and the Wimmera Street Bridge (Dimboola Rowing Course) are off limits to all persons and vessels not registered to take part in the activity proposed by the Dimboola Boat & Water Ski Club Inc. The exclusion zone takes effect between 4.00 pm and 6.00 pm on 20/10/2012.

The Hindmarsh Shire Council has determined that this activity exclusion zone is a necessary measure to ensure the proposed activity can occur in the safest possible manner.

Dated 16 October 2012

WAYNE SCHULZE As delegate of the Hindmarsh Shire Council

## Owner Drivers and Forestry Contractors Act 2005 DEPARTMENT OF BUSINESS AND INNOVATION TRANSPORT INDUSTRY COUNCIL Rates and Costs Schedule 2012

#### Semi-Trailer (Bogie Drive, 6-axle)

## INTRODUCTION

This Schedule is a general guide only. Owner drivers are strongly advised to seek independent professional accounting advice for their own situation and discuss all issues with their hirer or potential hirer to ensure that there is no misunderstanding concerning payment structures.

This Rates and Costs Schedule is published under section 14 of the **Owner Drivers and Forestry Contractors Act 2005** (Vic.) (the Act). Under the Act, this Schedule must be given by hirers to all new owner drivers three days prior to engagement. This Schedule will be revised at least annually, and under section 18 of the Act, hirers are required to give owner drivers a copy of any such revised Schedule as soon as practicable after it is published.

The Schedule is intended to assist owner drivers and their hirers to better understand the typical operating costs of an owner driver business and to inform their negotiations.

#### THE SCHEDULE DOES NOT SET MINIMUM RATES THAT MUST BE PAID.

The Schedule sets out a worked example of typical overhead costs for an owner driver supplying a Semi-Trailer (Bogie Drive, 6-axle). The worked example is based on certain assumptions about the business, for example, that the vehicle is 10 years old, is in operation for 8 hours a day and uses a certain number of types. The aim of the Schedule is to assist owner drivers to:

- better understand their business cost structures and how increases and decreases in different cost items affect overall profitability; and
- calculate their own unique cost model.

This Schedule applies to owner drivers<sup>1</sup> who supply a Semi-Trailer (Bogie Drive, 6-axle) or similar vehicle.<sup>2</sup>

The Schedule is structured as follows:

#### PART 1 FIXED COSTS

Describes typical fixed (or annual) business costs. These are the costs that the business must pay each year regardless of how many kilometres the vehicle travels.

#### PART 2 VARIABLE COSTS

Describes typical variable business costs. These are the costs (such as fuel and tyres) that vary with how many kilometres are travelled. These are calculated on an hourly basis.

#### PART 3 PAYMENT FOR LABOUR

Describes the range of rates that are typically paid to employee drivers for performing similar kinds of work, to assist the owner driver to determine what may be a reasonable payment for their own labour.

#### PART 4 TOTALS

This section allows the owner driver to prepare total hourly rates for ordinary hours (up to 1,840 a year) and excess hours.

The Schedule does not deal with the issue of return on investment, and this would need to be factored in where appropriate. The issue of return on investment is dealt with in section 11 of the Owner Drivers and Forestry Contractors Code of Practice.

<sup>1</sup> Owner Driver is defined in the **Owner Drivers and Forestry Contractors Act 2005**. The definition is also affected by the Owner Drivers and Forestry Contractors Regulations 2006 made under the Act.

<sup>2</sup> Rates and Costs Schedules have been published for 1 tonne GVM – General Freight, 4.5 tonne GVM, 8 tonne GVM, 12 tonne GVM (2-axle), Prime Mover (Bogie Drive) and Semi-Trailer (Bogie Drive, 6-axle). Hirers are required to provide owner drivers with the Schedule that most closely relates to the owner driver's vehicle.

### **KEY ASSUMPTIONS**

The model set out in this Schedule is based on certain assumptions about the vehicle used, hours of work and the type of business. The assumptions used that have the greatest impact on the figures given are:

SUBJECT	COSTING ASSUMPTIONS
Vehicle and Finance	<ul> <li>The fixed costs are based on:</li> <li>a vehicle with a current capital value of \$112,117 (being the current average retail value of a 10 year old vehicle).</li> <li>a vehicle subject to a lease arrangement, over a 4 year term with a 25% residual, with interest at a comparison interest rate of 8.10% per annum.</li> <li>Note that if the business owns the vehicle outright, or has a loan, the cost structure will be different with depreciation as</li> </ul>
	the relevant cost rather than lease payments. All costs exclude GST.
Driving Hours Per Year (Kilometres Travelled)	<ul> <li>The calculation of the fixed costs assumes the vehicle is in operation for 8 driving hours per day for 230 working days a year. This equals 1,840 hours of operation a year.</li> <li>The model spreads fixed operating costs over those 1,840 hours.</li> </ul>
	• In Part 4, a separate hourly rate for hours over and above the base hours of 1,840 a year is provided. To avoid double counting of fixed costs, this rate only includes variable costs and a return for labour, based on an overtime labour rate.

The cost structure of the individual business will be significantly different if, for example:

- The age, current capital value (or both) of the vehicle is less or more than the above figures;
- Other finance arrangements apply (for example, the vehicle is fully owned or is subject to a loan);
- More or fewer hours are worked each year.

Because of these potential variations, great care should be taken in using the indicative figures set out in the cost model, as the costs of the individual business may vary significantly.

To assist owner drivers to calculate their own unique cost model, a blank column is included to calculate the business's own unique costs.

#### **Rate Structures**

This model calculates the cost of running a typical owner driver business, described as an hourly rate, made up of fixed and variable costs and a payment for the owner driver's labour. The Schedule does not calculate or suggest any particular rate calculation or payment method.

Arrangements for payment for owner drivers in the transport industry vary enormously. They can be paid an hourly rate, a load rate, parcel rate, on the basis of tasks performed, or even kilometres travelled. If an owner driver is paid on such an arrangement, the Schedule set out below can be used as a base to calculate the cost to the business of travelling per kilometre, or delivering a particular load. Unions, industry associations or accountants and other professional advisers can assist in this task.

## PART 1

## Fixed Annual Costs – Per Year and Per Hour

Note: All costs are exclusive of GST

FIXED COSTS				
Cost Items Assumptions used in the Example	Example: Typical Cost Per Year	Your Costs: \$	Variations in this Cost Item	
Vehicle Lease Costs This model is based on a vehicle with a current capital value of \$112,117 (based on typical retail value of a 10 year old vehicle), and is based on a lease arrangement over a 4 year term with a 25% residual, at 8.10% interest per annum.	\$26,773		<ul> <li>Finance arrangements will vary widely depending on:</li> <li>if the arrangement is a lease or hire purchase, or purchase of the vehicle through a loan; or</li> <li>if the arrangement is a loan, then the purchase price, the amount borrowed and the loan terms will affect cash-flow, and depreciation needs to be allowed for.</li> </ul>	
Registration, Permits and TAC Fees Based on vehicle registration fee of \$6,394 and TAC charge of \$1,878.80 which is net of GST. Assumes payment is made on an annual basis. TAC charge assumes vehicle is garaged in a high risk area (e.g. metropolitan Melbourne).	\$8,272.80		These fees are current as at 1 July 2012 but may change. Additional licences may be payable for certain types of operations (e.g. interstate registration, oversize, port security permit, dangerous goods). Additional administration charges may apply to registration fees if they are paid in instalments. TAC charges may be lower if the vehicle is garaged in a medium or low risk area.	
Superannuation Self-funded, based on 9% of own labour assumed at \$37,308.	\$3,358			
Insurance Comprehensive Vehicle Based on rate of 3.15% per annum. Based on operator who is over the age of 25, has at least 5 years experience and no claims history. Assumes vehicle is not carrying dangerous goods. Assumes vehicle is travelling intrastate only.	\$3,532		Rates may be higher for interstate trucks. Additional insurance charges may apply to certain kinds of goods carried (e.g. refrigerated goods or livestock). Comprehensive vehicle insurance costs may vary depending upon the age and value of the equipment insured, the insurance provider, the amount of any excess payable, the individual's claims history, the age and experience level of the driver and whether the vehicle is carrying dangerous goods.	

FIXED COSTS			
Cost Items Assumptions used in the Example	Example: Typical Cost Per Year	Your Costs: \$	Variations in this Cost Item
Insurance Goods in Transit Based on sum insured \$50,000. Assumes vehicle is not carrying dangerous goods.	\$500		The cost of goods in transit insurance may vary depending on the type of goods being transported.
Insurance Personal Sickness and Accident/ Income Basic policy, based on 80% of income for 52 weeks, 30 day waiting period. Assumes driver is travelling intrastate only. Assumes driver has no pre-existing conditions. Maximum age limit of 60 years.	\$450		The cost of personal income and accident insurance (also called income protection insurance) will vary depending on the individual's health history, the amount of income insured, the period of time after an accident before benefits are payable and the maximum period over which benefits are paid.
<b>Insurance Public Liability</b> Assumes policy for public liability claims up to \$10 million.	\$405		
Insurance Workers' Compensation Assumed at the rate of 4.698% for the assumed labour rate of the business owner of \$37,307. Assumes vehicle is primarily travelling intrastate.	\$1,753		The rate is current as at 1 October 2011 and is subject to change. The rate charged for workers' compensation insurance may vary depending on whether the vehicle is travelling short or long distances and whether the vehicle is travelling interstate. The rate may also vary depending on the driver's claims history.

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FIXED COSTS				
Cost Items Assumptions used in the Example	Example: Typical Cost Per Year	Your Costs: \$	Variations in this Cost Item	
Business Administration Costs Includes maintenance of	\$2,774		Accounting/bookkeeping fees may be lower if the business prepares its own BAS and accounts.	
records, preparation of tax returns, mobile phone charges, consumer price			Mobile phone charges will vary significantly depending on level of use.	
index and sundry business expenses.			Other costs: Professional association fees, accommodation costs, parking fees, bank charges, and other costs should be allowed for where relevant. This example is based on a business that is already up and running, and does not take into account the costs of starting a business (e.g. registering a company). This figure may also vary depending on contractual conditions.	
Total annual fixed costs	\$47,817.80			
<b>Total hourly fixed costs</b> Assuming 1,840 vehicle operation hours.	\$25.99		Assumes that the annual fixed costs of the business are spread over 1,840 vehicle operation hours per year.	

## PART 2

## Variable Costs - Per Kilometre And Per Hour

Note: All costs are exclusive of GST

VARIABLE COSTS PER KILOMETRE				
<b>Cost Items Assumptions</b> Assumes 30,000 km Travelled Per Year	Typical Cost Per Km	Your Costs Per Km	Variations in this Cost Item	
<b>Fuel</b> Based on retail diesel fuel cost as at 1 January 2012 of 135.46 cents per litre which is net of GST. Assumes 1.59	85.20 cents		Fuel is the single biggest variable cost and will significantly affect your business. Fuel costs will also vary depending on the age, features and condition of	
km per litre consumed.			the vehicle.	

VARIABLE COSTS PER K	VARIABLE COSTS PER KILOMETRE				
<b>Cost Items Assumptions</b> Assumes 30,000 km Travelled Per Year	Typical Cost Per Km	Your Costs Per Km	Variations in this Cost Item		
<b>Tyres</b> Assumes cost of \$597 per tyre.	7.88 cents		Consumption of tyres will vary with the age of vehicle, off-road use, geographic and road conditions, braking frequency and driving techniques and the quality of the tyres used. Cost of tyres will also vary depending on the manufacturer, type of tyre and any discount arrangements.		
Servicing, Repairs and Maintenance Based on rate of 36.66 cents per kilometre.	36.66 cents		Repair and maintenance costs will vary significantly with the age and condition of the vehicle. Major repairs may be a one-off major cost in any given year. Significant savings can be made if the business does its own servicing		
Total variable costs per km	\$1.30		and repairs.		
Total variable costs per lina driving hour Assumes 18 km travelled per hour.	\$23.35		These rates are typical for city driving only. The number of kilometres travelled per hour will vary significantly depending on the routes travelled, whether the work is metropolitan or regional, how often the vehicle stops to load or unload and the nature of the work. Drivers who travel long distance or in the country will need to take this into account for their own calculations.		

Note: Citylink tolls: Where directed to take a route using tolls you may incur an additional cost for road tolls.

## PART 3

#### A Payment for the Owner Driver's Own Labour

The next factor to include in a business cost model is an amount for the business owner's own work (labour) in driving the vehicle and in work such as loading and unloading and tasks necessary in running the business. This Part will provide information to assist owner drivers to determine the amount they can aim to receive as a payment for that labour.

Because an owner driver is a small business (not an employee) the hirer is not legally obliged to pay a minimum wage or rate of pay. However, the wages that are paid to employee drivers are a useful guide to the market for the labour services of driving a vehicle.

Set out below are rates that would typically be paid for driving a vehicle if this work was performed by an employee rather than an owner driver.

These rates will vary over time, and should be used as a general guide only. Unions, industry associations, newspaper job advertisements and other drivers are sources of advice about the going rates in your industry sector.

TYPICAL BASE AND CASUAL RATES PAID TO EMPLOYEE DRIVERS PER HOUR					
	Base hourly rate <sup>(1)</sup>	<b>casual/loaded</b> <b>hourly rate</b> <sup>(2)</sup> (includes allowance for leave, etc.)	overtime rate <sup>(3)</sup> For the first two hours over 8 per day or 38 per week	<b>overtime rate</b> <sup>(3)</sup> For hours worked over 10 per day or 48 per week	
	\$21.97	\$22.86	\$27.44	\$36.58	
Range of rates typically paid in Victoria <sup>(4)</sup>	\$21.97 to \$26.29	\$22.86 to \$27.39	\$27.44 to \$32.87	\$36.58 to \$43.82	

Notes:

**1 Base hourly rate.** The base hourly rate is based on the rate in the Road Transport and Distribution Award 2010 for an employee driver of a Semi-Trailer ('the Award rate'). The base hourly rate is calculated by taking the minimum amount an employee driver working a 38 hour week would be paid under the Award over one year (including 4 weeks annual leave, 10 days personal/carer's leave, 10 public holidays and 17.5% annual leave loading). This figure is then converted to an hourly rate for working 38 hours per week over 44 weeks (one year less the paid leave and public holiday entitlements of a full-time employee).

The Award rate is accurate as at 1 July 2012, but is varied from time to time by Fair Work Australia. You can find information about the most recently published minimum employee rates by visiting www.fairwork.gov.au or contacting your association or union.

- **2** Casual/loaded rate. The casual/loaded rate includes an additional 25% loading. This is compensation for not receiving the paid annual leave, personal/carer's leave and public holidays that ongoing employees enjoy. The casual/loaded rate is calculated on the Award rate.
- **3** Overtime rates. Employee drivers in Victoria would typically receive payment at overtime rates for hours worked in excess of 38 hours a week. Typically a 50% loading applies for the first two hours of overtime per day or up to 48 hours per week and then a 100% loading for hours thereafter. The overtime rates are calculated on the Award rate.
- **4** The range of rates in Victoria. This part of the table sets out a range of rates typically paid in Victoria to employee drivers in the transport industry. A range is supplied because the rate paid will vary depending on whether a company is party to an enterprise agreement, the particular industry sector, the skill and efficiency of the particular driver and market factors such as whether there is a shortage of drivers in the area. The top rate in each range is calculated by adding 20% to the bottom rate.

## PART 4

#### **Hourly Totals**

#### A) Hourly total for hours up to 8 hours a day, 1,840 hours a year

TOTALS			
Totals Per Driving Hour	Typical Costs	Your Figures	Notes
Fixed Costs	\$25.99		Assuming fixed costs spread over 1,840 hours.
Variable Costs	\$23.35		Assuming 18 km travelled per hour.
Labour	\$21.97		This worked example is based on a labour rate of \$21.97 per hour. See discussion on rates for labour in Part 3.
Total per hour (up to 1,840 hours)	\$71.31		Note that this is not a prescribed or recommended rate. Owner drivers are strongly recommended to consider their own circumstances and obtain advice.

## B) Total per hour - for hours in excess of 8 hours per day / 1,840 hours a year

This model assumes that the owner driver will recover fixed annual costs over 1,840 driving hours a year. Many owner drivers work longer than these hours, either extra days each week or longer hours each day. This table calculates an hourly rate for those extra hours, using variable and labour costs only, and using an overtime rate of pay.

TOTALS			
Totals Per Driving Hour	Typical Costs	Your Figures	Notes
Variable Costs	\$23.35		Assuming 18 km travelled per hour.
Labour (overtime rates)	\$27.44		This worked example is based on a nominal penality labour rate of \$27.44 per hour. See discussion on rates for labour in Part 3.
Total per hour (over 1,840 hours)	\$50.79		Note that this is not a prescribed or recommended rate. Owner drivers are strongly recommended to consider their own circumstances and obtain
			advice.

In addition to the figures above, owner drivers should where relevant include any amount that they seek as a return on their capital investment. This issue is dealt with in section 11 of the Owner Drivers and Forestry Contractors Code of Practice, available from business.vic.gov.au

Note that this is not a prescribed or recommended rate. It is strongly recommended that owner drivers obtain advice on their own individual circumstances and discuss all issues with their hirer or potential hirer to ensure that there is no misunderstanding concerning payment structures.

## Owner Drivers and Forestry Contractors Act 2005 DEPARTMENT OF BUSINESS AND INNOVATION TRANSPORT INDUSTRY COUNCIL Rates and Costs Schedule 2012 Prime Mover (Bogie Drive)

#### INTRODUCTION

This Schedule is a general guide only. Owner drivers are strongly advised to seek independent professional accounting advice for their own situation and discuss all issues with their hirer or potential hirer to ensure that there is no misunderstanding concerning payment structures.

This Rates and Costs Schedule is published under section 14 of the **Owner Drivers and Forestry Contractors Act 2005** (Vic.) (the Act). Under the Act, this Schedule must be given by hirers to all new owner drivers three days prior to engagement. This Schedule will be revised at least annually, and under section 18 of the Act, hirers are required to give owner drivers a copy of any such revised Schedule as soon as practicable after it is published.

The Schedule is intended to assist owner drivers and their hirers to better understand the typical operating costs of an owner driver business and to inform their negotiations.

THE SCHEDULE DOES NOT SET MINIMUM RATES THAT MUST BE PAID.

The Schedule sets out a worked example of typical overhead costs for an owner driver supplying a Prime Mover (Bogie Drive). The worked example is based on certain assumptions about the business, for example, that the vehicle is 10 years old, is in operation for 8 hours a day and uses a certain number of tyres. The aim of the Schedule is to assist owner drivers to:

- better understand their business cost structures and how increases and decreases in different cost items affect overall profitability; and
- calculate their own unique cost model.

This Schedule applies to owner drivers<sup>1</sup> who supply a Prime Mover or similar vehicle.<sup>2</sup>

The Schedule is structured as follows:

#### PART 1 FIXED COSTS

Describes typical fixed (or annual) business costs. These are the costs that the business must pay each year regardless of how many kilometres the vehicle travels.

#### PART 2 VARIABLE COSTS

Describes typical variable business costs. These are the costs (such as fuel and types) that vary with how many kilometres are travelled. These are calculated on an hourly basis.

#### PART 3 PAYMENT FOR LABOUR

Describes the range of rates that are typically paid to employee drivers for performing similar kinds of work, to assist the owner driver to determine what may be a reasonable payment for their own labour.

#### PART 4 TOTALS

This section allows the owner driver to prepare total hourly rates for ordinary hours (up to 1,840 a year) and excess hours.

The Schedule does not deal with the issue of return on investment, and this would need to be factored in where appropriate. The issue of return on investment is dealt with in section 11 of the Owner Drivers and Forestry Contractors Code of Practice.

<sup>1</sup> Owner Driver is defined in the **Owner Drivers and Forestry Contractors Act 2005**. The definition is also affected by the Owner Drivers and Forestry Contractors Regulations 2006 made under the Act.

<sup>2</sup> Rates and Costs Schedules have been published for 1 tonne GVM – General Freight, 4.5 tonne GVM, 8 tonne GVM, 12 tonne GVM (2-axle), Prime Mover (Bogie Drive) and Semi-Trailer (Bogie Drive, 6-axle). Hirers are required to provide owner drivers with the Schedule that most closely relates to the owner driver's vehicle.

## **KEY ASSUMPTIONS**

The model set out in this Schedule is based on certain assumptions about the vehicle used, hours of work and the type of business. The assumptions used that have the greatest impact on the figures given are:

SUBJECT	COSTING ASSUMPTIONS
Vehicle and Finance	<ul> <li>The fixed costs are based on:</li> <li>a vehicle with a current capital value of \$89,013 (being the current average retail value of a 10 year old vehicle).</li> <li>a vehicle subject to a lease arrangement, over a 4 year term with a 25% residual, with interest at a comparison interest rate of 8.10% per annum.</li> <li>Note that if the business owns the vehicle outright, or has a loan, the cost structure will be different with depreciation as</li> </ul>
	the relevant cost rather than lease payments.
	All costs exclude GST.
Driving Hours Per Year (Kilometres Travelled)	• The calculation of the fixed costs assumes the vehicle is in operation for 8 driving hours per day for 230 working days a year. This equals 1,840 hours of operation a year.
	• The model spreads fixed operating costs over those 1,840 hours.
	• In Part 4, a separate hourly rate for hours over and above the base hours of 1,840 a year is provided. To avoid double counting of fixed costs, this rate only includes variable costs and a return for labour, based on an overtime labour rate.

The cost structure of the individual business will be significantly different if, for example:

- The age, current capital value (or both) of the vehicle is less or more than the above figures;
- Other finance arrangements apply (for example, the vehicle is fully owned or is subject to a loan);
- More or fewer hours are worked each year.

Because of these potential variations, great care should be taken in using the indicative figures set out in the cost model, as the costs of the individual business may vary significantly.

To assist owner drivers to calculate their own unique cost model, a blank column is included to calculate the business's own unique costs.

#### **Rate Structures**

This model calculates the cost of running a typical owner driver business, described as an hourly rate, made up of fixed and variable costs and a payment for the owner driver's labour. The Schedule does not calculate or suggest any particular rate calculation or payment method.

Arrangements for payment for owner drivers in the transport industry vary enormously. They can be paid an hourly rate, a load rate, parcel rate, on the basis of tasks performed, or even kilometres travelled. If an owner driver is paid on such an arrangement, the Schedule set out below can be used as a base to calculate the cost to the business of travelling per kilometre, or delivering a particular load. Unions, industry associations or accountants and other professional advisers can assist in this task.

## PART 1

## Fixed Annual Costs – Per Year and Per Hour

Note: All costs are exclusive of GST

FIXED COSTS				
Cost Items Assumptions used in the Example	Example: Typical Cost Per Year	Your Costs: \$	Variations in this Cost Item	
Vehicle Lease Costs This model is based on a vehicle with a current capital value of \$89,013 (based on typical retail value of a 10 year old vehicle), and is based on a lease arrangement over a 4 year term with a 25% residual, at 8.10% interest per annum.	\$21,256		<ul> <li>Finance arrangements will vary widely depending on:</li> <li>if the arrangement is a lease or hire purchase, or purchase of the vehicle through a loan; or</li> <li>if the arrangement is a loan, then the purchase price, the amount borrowed and the loan terms will affect cash-flow, and depreciation needs to be allowed for.</li> </ul>	
<b>Registration, Permits and</b> <b>TAC Fees</b> Based on vehicle registration fee of \$4,744 and TAC charge of \$1,878.80 which is net of GST. Assumes payment is made on an annual basis. TAC charge assumes vehicle is garaged in a high risk area (e.g. metropolitan Melbourne).	\$6,622.80		These fees are current as at 1 July 2012 but may change. Additional licences may be payable for certain types of operations (e.g. interstate registration, oversize, port security permit, dangerous goods). Additional administration charges may apply to registration fees if they are paid in instalments. TAC charges may be lower if the vehicle is garaged in a medium or low risk area.	
Superannuation Self-funded, based on 9% of own labour assumed at \$37,307.	\$3,358			
<b>Insurance Comprehensive</b> <b>Vehicle</b> Based on rate of 3.15% per annum. Based on operator who is over the age of 25, has at least 5 years experience and no claims history. Assumes vehicle is not carrying dangerous goods. Assumes vehicle is travelling intrastate only.	\$2,804		Rates may be higher for interstate trucks. Additional insurance charges may apply to certain kinds of goods carried (e.g. refrigerated goods or livestock). Comprehensive vehicle insurance costs may vary depending upon the age and value of the equipment insured, the insurance provider, the amount of any excess payable, the individual's claims history, the age and experience level of the driver and whether the vehicle is carrying dangerous goods.	

Cost Items Assumptions used in the Example	Example: Typical Cost Per Year	Your Costs: \$	Variations in this Cost Item
Insurance Goods in Transit Based on sum insured \$50,000. Assumes vehicle is not carrying dangerous goods.	\$500		The cost of goods in transit insurance may vary depending on the type of goods being transported.
Insurance Personal Sickness and Accident/ Income Basic policy, based on 80% of income for 52 weeks, 30 day waiting period. Assumes driver is travelling intrastate only. Assumes driver has no pre-existing conditions. Maximum age limit of 60 years.	\$450		The cost of personal income and accident insurance (also called income protection insurance) will vary depending on the individual's health history, the amount of income insured, the period of time after an accident before benefits are payable and the maximum period over which benefits are paid.
<b>Insurance Public Liability</b> Assumes policy for public liability claims up to \$10 million.	\$405		
<b>Insurance Workers'</b> <b>Compensation</b> Assumed at the rate of 4.698% for the assumed labour rate of the business owner of \$37,307. Assumes vehicle is primarily travelling intrastate.	\$1,753		The rate is current as at 1 October 2011 and is subject to change. The rate charged for workers' compensation insurance may vary depending on whether the vehicle is travelling short or long distances and whether the vehicle is travelling interstate. The rate may also vary depending on the driver's claims history.

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FIXED COSTS			
Cost Items Assumptions used in the Example	Example: Typical Cost Per Year	Your Costs: \$	Variations in this Cost Item
Business Administration Costs Includes maintenance of	\$2,774		Accounting/bookkeeping fees may be lower if the business prepares its own BAS and accounts.
records, preparation of tax returns, mobile phone charges, consumer price			<b>Mobile phone charges</b> will vary significantly depending on level of use.
index and sundry business expenses.			<b>Other costs:</b> Professional association fees, accommodation costs, parking fees, bank charges, and other costs should be allowed for where relevant. This example is based on a business that is already up and running, and does not take into account the costs of starting a business (e.g. registering a company). This figure may also vary depending on contractual conditions.
Total annual fixed costs	\$39,922.80		
<b>Total hourly fixed costs</b> Assuming 1,840 vehicle operation hours.	\$21.70		Assumes that the annual fixed costs of the business are spread over 1,840 vehicle operation hours per year.

## Variable Costs - Per Kilometre and Per Hour

VARIABLE COSTS PER KILOMETRE				
<b>Cost Items Assumptions</b> Assumes 30,000 km Travelled Per Year	Typical Cost Per Km	Your Costs Per Km	Variations in this Cost Item	
<b>Fuel</b> Based on retail diesel fuel cost as at 1 January 2012 of	85.19 cents		Fuel is the single biggest variable cost and will significantly affect your business.	
135.46 cents per litre which is net of GST. Assumes 1.59 km per litre consumed.			Fuel costs will also vary depending on the age, features and condition of the vehicle.	

VARIABLE COSTS PER KILOMETRE			
<b>Cost Items Assumptions</b> Assumes 30,000 km Travelled Per Year	Typical Cost Per Km	Your Costs Per Km	Variations in this Cost Item
<b>Tyres</b> Assumes cost of \$597 per tyre.	4.28 cents		Consumption of tyres will vary with the age of vehicle, off-road use, geographic and road conditions, braking frequency and driving techniques and the quality of the tyres used. Cost of tyres will also vary
			depending on the manufacturer, type of tyre and any discount arrangements.
Servicing, Repairs and Maintenance Based on rate of 26.72 cents per kilometre.	26.72 cents		Repair and maintenance costs will vary significantly with the age and condition of the vehicle. Major repairs may be a one-off major cost in any given year.
			Significant savings can be made if the business does its own servicing and repairs.
Total variable costs per km	116.19 cents		
Total variable costs per driving hour	\$20.91		These rates are typical for city driving only.
Assumes 18 km travelled per hour.			The number of kilometres travelled per hour will vary significantly depending on the routes travelled, whether the work is metropolitan or regional, how often the vehicle stops to load or unload and the nature of the work.
			Drivers who travel long distance or in the country will need to take this into account for their own calculations.

Note: Citylink tolls: Where directed to take a route using tolls you may incur an additional cost for road tolls.

#### A Payment for the Owner Driver's Own Labour

The next factor to include in a business cost model is an amount for the business owner's own work (labour) in driving the vehicle and in work such as loading and unloading and tasks necessary in running the business. This Part will provide information to assist owner drivers to determine the amount they can aim to receive as a payment for that labour.

Because an owner driver is a small business (not an employee) the hirer is not legally obliged to pay a minimum wage or rate of pay. However, the wages that are paid to employee drivers are a useful guide to the market for the labour services of driving a vehicle.

Set out below are rates that would typically be paid for driving a vehicle if this work was performed by an employee rather than an owner driver.

These rates will vary over time, and should be used as a general guide only. Unions, industry associations, newspaper job advertisements and other drivers are sources of advice about the going rates in your industry sector.

TYPICAL BASE AND CASUAL RATES PAID TO EMPLOYEE DRIVERS PER HOUR						
	base hourly rate <sup>(1)</sup>	<b>casual/loaded</b> <b>hourly rate</b> <sup>(2)</sup> (includes allowance for leave, etc.)	overtime rate <sup>(3)</sup> For the first two hours over 8 per day or 38 per week	<b>overtime rate</b> <sup>(3)</sup> For hours worked over 10 per day or 48 per week		
	\$21.97	\$22.86	\$27.44	\$36.58		
Range of rates typically paid in Victoria <sup>(4)</sup>	\$21.97 to \$26.29	\$22.86 to \$27.39	\$27.44 to \$32.87	\$36.58 to \$43.82		

Notes:

**1 Base hourly rate.** The base hourly rate is based on the rate in the Road Transport and Distribution Award 2010 for an employee driver of a Prime Mover (Bogie Drive) ('the Award rate'). The base hourly rate is calculated by first working out the minimum amount an employee driver working a 38 hour week would be paid under the Award over one year (including 4 weeks annual leave, 10 days personal/carer's leave, 10 public holidays and 17.5% annual leave loading). This amount is then converted to an hourly rate for working 38 hours per week over 44 weeks (one year less the paid leave and public holiday entitlements of a full-time employee).

The Award rate is accurate as at 1 July 2012, but is varied from time to time by Fair Work Australia. You can find information about the most recently published minimum employee rates by visiting www.fairwork.gov.au or contacting your association or union.

- **2** Casual/loaded rate. The casual/loaded rate includes an additional 25% loading. This is compensation for not receiving the paid annual leave, personal/carer's leave and public holidays that ongoing employees enjoy. The casual/loaded rate is calculated on the Award rate.
- **3** Overtime rates. Employee drivers in Victoria would typically receive payment at overtime rates for hours worked in excess of 38 hours a week. Typically a 50% loading applies for the first two hours of overtime per day or up to 48 hours per week and then a 100% loading for hours thereafter. The overtime rates are calculated on the Award rate.
- 4 The range of rates in Victoria. This part of the table sets out a range of rates typically paid in Victoria to employee drivers in the transport industry. A range is supplied because the rate paid will vary depending on whether a company is party to an enterprise agreement, the particular industry sector, the skill and efficiency of the particular driver and market factors such as whether there is a shortage of drivers in the area. The top rate in each range is calculated by adding 20% to the bottom rate.

### **Hourly Totals**

## A) Hourly total for hours up to 8 hours a day, 1,840 hours a year

TOTALS			
Totals Per Driving Hour	Typical Costs	Your Figures	Notes
Fixed Costs	\$21.70		Assuming fixed costs spread over 1,840 hours.
Variable Costs	\$20.91		Assuming 18 km travelled per hour.
Labour	\$21.97		This worked example is based on a labour rate of \$21.97 per hour. See discussion on rates for labour in Part 3.
Total per hour (up to 1,840 hours)	\$64.58		Note that this is not a prescribed or recommended rate.
			Owner drivers are strongly recommended to consider their own circumstances and obtain advice.

#### B) Total per hour - for hours in excess of 8 hours per day / 1,840 hours a year

This model assumes that the owner driver will recover fixed annual costs over 1,840 driving hours a year. Many owner drivers work longer than these hours, either extra days each week or longer hours each day. This table calculates an hourly rate for those extra hours, using variable and labour costs only, and using an overtime rate of pay.

TOTALS			
Totals Per Driving Hour	Typical Costs	Your Figures	Notes
Variable Costs	\$20.91		Assuming 18 km travelled per hour.
Labour (overtime rates)	\$27.44		This worked example is based on a nominal penalty labour rate of \$27.44 per hour. See discussion on rates for labour in Part 3.
Total per hour (over 1,840 hours)	\$48.35		Note that this is not a prescribed or recommended rate.
			Owner drivers are strongly recommended to consider their own circumstances and obtain advice.

In addition to the figures above, owner drivers should where relevant include any amount that they seek as a return on their capital investment. This issue is dealt with in section 11 of the Owner Drivers and Forestry Contractors Code of Practice, available from business.vic.gov.au

Note that this is not a prescribed or recommended rate. It is strongly recommended that owner drivers obtain advice on their own individual circumstances and discuss all issues with their hirer or potential hirer to ensure that there is no misunderstanding concerning payment structures.

# Owner Drivers and Forestry Contractors Act 2005 DEPARTMENT OF BUSINESS AND INNOVATION TRANSPORT INDUSTRY COUNCIL Rates and Costs Schedule 2012 12 Tonne Rigid Vehicle (GVM) (2-axle)

## INTRODUCTION

This Schedule is a general guide only. Owner drivers are strongly advised to seek independent professional accounting advice for their own situation and discuss all issues with their hirer or potential hirer to ensure that there is no misunderstanding concerning payment structures.

This Rates and Costs Schedule is published under section 14 of the **Owner Drivers and Forestry Contractors Act 2005** (Vic.) (the Act). Under the Act, this Schedule must be given by hirers to all new owner drivers three days prior to engagement. This Schedule will be revised at least annually, and under section 18 of the Act, hirers are required to give owner drivers a copy of any such revised Schedule as soon as practicable after it is published. The Schedule is intended to assist owner drivers and their hirers to better understand the typical operating costs of an owner driver business and to inform their negotiations.

THE SCHEDULE DOES NOT SET MINIMUM RATES THAT MUST BE PAID.

The Schedule sets out a worked example of typical overhead costs for an owner driver supplying a 12 Tonne Rigid Vehicle. The worked example is based on certain assumptions about the business, for example, that the vehicle is 8 years old, is in operation for 8 hours a day and uses a certain number of tyres. The aim of the Schedule is to assist owner drivers to:

- better understand their business cost structures and how increases and decreases in different cost items affect overall profitability; and
- calculate their own unique cost model.

This Schedule applies to owner drivers<sup>1</sup> who supply a 12 Tonne Rigid Vehicle (2-axle) (12 tonne being the weight of the vehicle fully loaded) or similar vehicle.<sup>2</sup>

The Schedule is structured as follows:

### PART 1 FIXED COSTS

Describes typical fixed (or annual) business costs. These are the costs that the business must pay each year regardless of how many kilometres the vehicle travels.

### PART 2 VARIABLE COSTS

Describes typical variable business costs. These are the costs (such as fuel and tyres) that vary with how many kilometres are travelled. These are calculated on an hourly basis.

## PART 3 PAYMENT FOR LABOUR

Describes the range of rates that are typically paid to employee drivers for performing similar kinds of work, to assist the owner driver to determine what may be a reasonable payment for their own labour.

### PART 4 TOTALS

This section allows the owner driver to prepare total hourly rates for ordinary hours (up to 1,840 a year) and excess hours.

The Schedule does not deal with the issue of return on investment, and this would need to be factored in where appropriate. The issue of return on investment is dealt with in section 11 of the Owner Drivers and Forestry Contractors Code of Practice.

<sup>1</sup> Owner Driver is defined in the **Owner Drivers and Forestry Contractors Act 2005**. The definition is also affected by the Owner Drivers and Forestry Contractors Regulations 2006 made under the Act.

<sup>2</sup> Rates and Costs Schedules have been published for 1 tonne GVM – General Freight, 4.5 tonne GVM, 8 tonne GVM, 12 tonne GVM (2-axle), Prime Mover (Bogie Drive) and Semi-Trailer (Bogie Drive, 6-axle). Hirers are required to provide owner drivers with the Schedule that most closely relates to the owner driver's vehicle.

## **KEY ASSUMPTIONS**

The model set out in this Schedule is based on certain assumptions about the vehicle used, hours of work and the type of business. The assumptions used that have the greatest impact on the figures given are:

SUBJECT	COSTING ASSUMPTIONS	
Vehicle and Finance	<ul> <li>The fixed costs are based on:</li> <li>a vehicle with a current capital value of \$80,441 (being the current average retail value of an 8 year old vehicle).</li> <li>a vehicle subject to a lease arrangement, over a 4 year term with a 25% residual, with interest at a comparison interest rate of 8.10% per annum.</li> <li>Note that if the business owns the vehicle outright, or has a</li> </ul>	
	loan, the cost structure will be different with depreciation as the relevant cost rather than lease payments. All costs exclude GST.	
Driving Hours Per Year (Kilometres Travelled)	<ul> <li>The calculation of the fixed costs assumes the vehicle is in operation for 8 driving hours per day for 230 working days a year. This equals 1,840 hours of operation a year.</li> <li>The model spreads fixed operating costs over those 1,840 hours.</li> <li>In Part 4 a concernt hours for hours court and change.</li> </ul>	
	• In Part 4, a separate hourly rate for hours over and above the base hours of 1,840 a year is provided. To avoid double counting of fixed costs, this rate only includes variable costs and a return for labour, based on an overtime labour rate.	

The cost structure of the individual business will be significantly different if, for example:

- The age, current capital value (or both) of the vehicle is less or more than the above figures;
- Other finance arrangements apply (for example, the vehicle is fully owned or is subject to a loan);
- More or fewer hours are worked each year.

Because of these potential variations, great care should be taken in using the indicative figures set out in the cost model, as the costs of the individual business may vary significantly.

To assist owner drivers to calculate their own unique cost model, a blank column is included to calculate the business's own unique costs.

### **Rate Structures**

This model calculates the cost of running a typical owner driver business, described as an hourly rate, made up of fixed and variable costs and a payment for the owner driver's labour. The Schedule does not calculate or suggest any particular rate calculation or payment method.

Arrangements for payment for owner drivers in the transport industry vary enormously. They can be paid an hourly rate, a load rate, parcel rate, on the basis of tasks performed, or even kilometres travelled. If an owner driver is paid on such an arrangement, the Schedule set out below can be used as a base to calculate the cost to the business of travelling per kilometre, or delivering a particular load. Unions, industry associations or accountants and other professional advisers can assist in this task.

# Fixed Annual Costs – Per Year And Per Hour

FIXED COSTS			
Cost Items Assumptions used in the Example	Example: Typical Cost Per Year	Your Costs: \$	Variations in this Cost Item
Vehicle Lease Costs This model is based on a vehicle with a current capital value of \$80,441 (based on typical retail value of an 8 year old vehicle), and is based on a lease arrangement over a 4 year term with a 25% residual, at 8.10% interest per annum.	\$19,209		<ul> <li>Finance arrangements will vary widely depending on:</li> <li>if the arrangement is a lease or hire purchase, or purchase of the vehicle through a loan; or</li> <li>if the arrangement is a loan, then the purchase price, the amount borrowed and the loan terms will affect cash-flow, and depreciation needs to be allowed for.</li> </ul>
Registration, Permits and TAC Fees Based on vehicle registration fee of \$542 and TAC charge of \$677.60 which is net of GST. Assumes payment is made on an annual basis. TAC charge assumes vehicle is garaged in a high risk area (e.g. metropolitan Melbourne).	\$1,219.60		These fees are current as at 1 July 2012 but may change. Additional licences may be payable for certain types of operations (e.g. interstate registration, oversize, port security permit, dangerous goods). Additional administration charges may apply to registration fees if they are paid in instalments. TAC charges may be lower if the vehicle is garaged in a medium or low risk area.
<b>Superannuation</b> Self-funded, based on 9% of own labour assumed at \$36,435.	\$3,279		
Insurance Comprehensive Vehicle Based on rate of 3.15% per annum. Based on operator who is over the age of 25, has at least 5 years experience and no claims history. Assumes vehicle is not carrying dangerous goods. Assumes vehicle is travelling intrastate only.	\$2,533		Rates may be higher for interstate trucks. Additional insurance charges may apply to certain kinds of goods carried (e.g. refrigerated goods or livestock). Comprehensive vehicle insurance costs may vary depending upon the age and value of the equipment insured, the insurance provider, the amount of any excess payable, the individual's claims history, the age and experience level of the driver and whether the vehicle is carrying dangerous goods.

FIXED COSTS			
Cost Items Assumptions used in the Example	Example: Typical Cost Per Year	Your Costs: \$	Variations in this Cost Item
Insurance Goods in Transit Based on sum insured \$50,000. Assumes vehicle is not carrying dangerous goods.	\$400		The cost of goods in transit insurance may vary depending on the type of goods being transported.
Insurance Personal Sickness and Accident/ Income Basic policy, based on 80% of income for 52 weeks, 30 day waiting period. Assumes driver is travelling intrastate only. Assumes driver has no pre-existing conditions. Maximum age limit of 60 years.	\$450		The cost of personal income and accident insurance (also called income protection insurance) will vary depending on the individual's health history, the amount of income insured, the period of time after an accident before benefits are payable and the maximum period over which benefits are paid.
Insurance Public Liability Assumes policy for public liability claims up to \$10 million.	\$405		
<b>Insurance Workers'</b> <b>Compensation</b> Assumed at the rate of 4.698% for the assumed labour rate of the business owner of \$36,435. Assumes vehicle is primarily travelling intrastate.	\$1,711		The rate is current as at 1 October 2011 and is subject to change. The rate charged for workers' compensation insurance may vary depending on whether the vehicle is travelling short or long distances and whether the vehicle is travelling interstate. The rate may also vary depending on the driver's claims history.

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FIXED COSTS			
Cost Items Assumptions used in the Example	Example: Typical Cost Per Year	Your Costs: \$	Variations in this Cost Item
Business Administration Costs Includes maintenance of	\$2,774		Accounting/bookkeeping fees may be lower if the business prepares its own BAS and accounts.
records, preparation of tax returns, mobile phone charges, consumer price			<b>Mobile phone charges</b> will vary significantly depending on level of use.
index and sundry business expenses.			<b>Other costs:</b> Professional association fees, accommodation costs, parking fees, bank charges, and other costs should be allowed for where relevant. This example is based on a business that is already up and running, and does not take into account the costs of starting a business (e.g. registering a company). This figure may also vary depending on contractual conditions.
Total annual fixed costs	\$31,980.60		
<b>Total hourly fixed costs</b> Assuming 1,840 vehicle operation hours	\$17.38		Assumes that the annual fixed costs of the business are spread over 1,840 vehicle operation hours per year.

## Variable Costs - Per Kilometre and Per Hour

VARIABLE COSTS PER KILOMETRE				
<b>Cost Items Assumptions</b> Assumes 35,000 km Travelled Per Year	Typical Cost Per Km	Your Costs Per Km	Variations in this Cost Item	
<b>Fuel</b> Based on retail diesel fuel cost as at 1 January 2012 of	34.82 cents		Fuel is the single biggest variable cost and will significantly affect your business.	
135.46 cents per litre which is net of GST. Assumes 3.89 km per litre consumed.			Fuel costs will also vary depending on the age, features and condition of the vehicle.	

VARIABLE COSTS PER KILOMETRE			
<b>Cost Items Assumptions</b> Assumes 35,000 km Travelled Per Year	Typical Cost Per Km	Your Costs Per Km	Variations in this Cost Item
<b>Tyres</b> Assumes cost of \$597 per tyre.	4.72 cents		Consumption of tyres will vary with the age of vehicle, off-road use, geographic and road conditions, braking frequency and driving techniques and the quality of the tyres used. Cost of tyres will also vary depending on the manufacturer, type of tyre and any discount arrangements.
Servicing, Repairs and Maintenance Based on rate of 19.43 cents per kilometre.	19.43 cents		Repair and maintenance costs will vary significantly with the age and condition of the vehicle. Major repairs may be a one-off major cost in any given year. Significant savings can be made if the business does its own servicing and repairs.
Total variable costs per km	58.97 cents		
<b>Total variable costs per driving hour</b> Assumes 18 km travelled per hour.	\$10.61		These rates are typical for city driving only. The number of kilometres travelled per hour will vary significantly depending on the routes travelled, whether the work is metropolitan or regional, how often the vehicle stops
			to load or unload and the nature of the work. Drivers who travel long distance or in the country will need to take this into account for their own calculations.

Note: Citylink tolls: Where directed to take a route using tolls you may incur an additional cost for road tolls.

#### A Payment for the Owner Driver's Own Labour

The next factor to include in a business cost model is an amount for the business owner's own work (labour) in driving the vehicle and in work such as loading and unloading and tasks necessary in running the business. This Part will provide information to assist owner drivers to determine the amount they can aim to receive as a payment for that labour.

Because an owner driver is a small business (not an employee) the hirer is not legally obliged to pay a minimum wage or rate of pay. However, the wages that are paid to employee drivers are a useful guide to the market for the labour services of driving a vehicle.

Set out below are rates that would typically be paid for driving a vehicle if this work was performed by an employee rather than an owner driver.

These rates will vary over time, and should be used as a general guide only. Unions, industry associations, newspaper job advertisements and other drivers are sources of advice about the going rates in your industry sector.

TYPICAL BASE AND CASUAL RATES PAID TO EMPLOYEE DRIVERS PER HOUR					
	base hourly rate <sup>(1)</sup>	<b>casual/loaded</b> <b>hourly rate</b> <sup>(2)</sup> (includes allowance for leave, etc.)	overtime rate <sup>(3)</sup> For the first two hours over 8 per day or 38 per week	overtime rate <sup>(3)</sup> For hours worked over 10 per day or 48 per week	
	\$21.46	\$22.34	\$26.81	\$35.74	
Range of rates typically paid in Victoria <sup>(4)</sup>	\$21.46 to \$25.68	\$22.34 to \$26.75	\$26.81 to \$32.10	\$35.74 to \$42.80	

Notes:

1 Base hourly rate. The base hourly rate is based on the rate in the Road Transport and Distribution Award 2010 for an employee driver of a 12 Tonne GVM Rigid Vehicle ('the Award rate'). The base hourly rate is calculated by first working out the minimum amount an employee driver working a 38 hour week would be paid under the Award over one year (including 4 weeks annual leave, 10 days personal/carer's leave, 10 public holidays and 17.5% annual leave loading). This amount is then converted to an hourly rate for working 38 hours per week over 44 weeks (one year less the paid leave and public holiday entitlements of a full-time employee).

The Award rate is accurate as at 1 July 2012, but is varied from time to time by Fair Work Australia. You can find information about the most recently published minimum employee rates by visiting www.fairwork.gov.au or contacting your association or union.

- **2** Casual/loaded rate. The casual/loaded rate includes an additional 25% loading. This is compensation for not receiving the paid annual leave, personal/carer's leave and public holidays that ongoing employees enjoy. The casual/loaded rate is calculated on the Award rate.
- **3** Overtime rates. Employee drivers in Victoria would typically receive payment at overtime rates for hours worked in excess of 38 hours a week. Typically a 50% loading applies for the first two hours of overtime per day or up to 48 hours per week and then a 100% loading for hours thereafter. The overtime rates are calculated on the Award rate.
- **4** The range of rates in Victoria. This part of the table sets out a range of rates typically paid in Victoria to employee drivers in the transport industry. A range is supplied because the rate paid will vary depending on whether a company is party to an enterprise agreement, the particular industry sector, the skill and efficiency of the particular driver and market factors such as whether there is a shortage of drivers in the area. The top rate in each range is calculated by adding 20% to the bottom rate.

### **Hourly Totals**

## A) Hourly total for hours up to 8 hours a day, 1,840 hours a year

TOTALS				
Totals Per Driving Hour	Typical Costs	Your Figures	Notes	
Fixed Costs	\$17.38		Assuming fixed costs spread over 1,840 hours.	
Variable Costs	\$10.61		Assuming 18 km travelled per hour.	
Labour	\$21.46		This worked example is based on a labour rate of \$21.46 per hour. See discussion on rates for labour in Part 3.	
Total per hour (up to 1,840 hours)	\$49.45		Note that this is not a prescribed or recommended rate.	
			Owner drivers are strongly recommended to consider their own circumstances and obtain advice.	

#### B) Total per hour - for hours in excess of 8 hours per day / 1,840 hours a year

This model assumes that the owner driver will recover fixed annual costs over 1,840 driving hours a year. Many owner drivers work longer than these hours, either extra days each week or longer hours each day. This table calculates an hourly rate for those extra hours, using variable and labour costs only, and using an overtime rate of pay.

TOTALS				
Totals Per Driving Hour	Typical Costs	Your Figures	Notes	
Variable Costs	\$10.61		Assuming 18 km travelled per hour.	
Labour (overtime rates)	\$26.81		This worked example is based on a nominal penalty labour rate of \$26.81 per hour. See discussion on rates for labour in Part 3.	
Total per hour (over 1,840 hours)	\$37.42		Note that this is not a prescribed or recommended rate.	
			Owner drivers are strongly recommended to consider their own circumstances and obtain advice.	

In addition to the figures above, owner drivers should where relevant include any amount that they seek as a return on their capital investment. This issue is dealt with in section 11 of the Owner Drivers and Forestry Contractors Code of Practice, available from business.vic.gov.au

Note that this is not a prescribed or recommended rate. It is strongly recommended that owner drivers obtain advice on their own individual circumstances and discuss all issues with their hirer or potential hirer to ensure that there is no misunderstanding concerning payment structures.

# Owner Drivers and Forestry Contractors Act 2005 DEPARTMENT OF BUSINESS AND INNOVATION TRANSPORT INDUSTRY COUNCIL Rates and Costs Schedule 2012 8 Tonne Rigid Vehicle (GVM)

# INTRODUCTION

This Schedule is a general guide only. Owner drivers are strongly advised to seek independent professional accounting advice for their own situation and discuss all issues with their hirer or potential hirer to ensure that there is no misunderstanding concerning payment structures.

This Rates and Costs Schedule is published under section 14 of the **Owner Drivers and Forestry Contractors Act 2005** (Vic.) (the Act). Under the Act, this Schedule must be given by hirers to all new owner drivers three days prior to engagement. This Schedule will be revised at least annually, and under section 18 of the Act, hirers are required to give owner drivers a copy of any such revised Schedule as soon as practicable after it is published.

The Schedule is intended to assist owner drivers and their hirers to better understand the typical operating costs of an owner driver business and to inform their negotiations.

### THE SCHEDULE DOES NOT SET MINIMUM RATES THAT MUST BE PAID.

The Schedule sets out a worked example of typical overhead costs for an owner driver supplying an 8 Tonne GVM Rigid Vehicle. The worked example is based on certain assumptions about the business, for example, that the vehicle is 5 years old, is in operation for 8 hours a day and uses a certain number of tyres. The aim of the Schedule is to assist owner drivers to:

- better understand their business cost structures and how increases and decreases in different cost items affect overall profitability; and
- calculate their own unique cost model.

This Schedule applies to owner drivers<sup>1</sup> who supply an 8 Tonne Rigid Vehicle (8 tonne being the weight of the vehicle fully loaded) or similar vehicle.<sup>2</sup>

The Schedule is structured as follows:

### PART 1 FIXED COSTS

Describes typical fixed (or annual) business costs. These are the costs that the business must pay each year regardless of how many kilometres the vehicle travels.

#### PART 2 VARIABLE COSTS

Describes typical variable business costs. These are the costs (such as fuel and tyres) that vary with how many kilometres are travelled. These are calculated on an hourly basis.

### PART 3 PAYMENT FOR LABOUR

Describes the range of rates that are typically paid to employee drivers for performing similar kinds of work, to assist the owner driver to determine what may be a reasonable payment for their own labour.

## PART 4 TOTALS

This section allows the owner driver to prepare total hourly rates for ordinary hours (up to 1,840 a year) and excess hours.

The Schedule does not deal with the issue of return on investment, and this would need to be factored in where appropriate. The issue of return on investment is dealt with in section 11 of the Owner Drivers and Forestry Contractors Code of Practice.

<sup>1</sup> Owner Driver is defined in the **Owner Drivers and Forestry Contractors Act 2005**. The definition is also affected by the Owner Drivers and Forestry Contractors Regulations 2006 made under the Act.

<sup>2</sup> Rates and Costs Schedules have been published for 1 tonne GVM – General Freight, 4.5 tonne GVM, 8 tonne GVM, 12 tonne GVM (2-axle), Prime Mover (Bogie Drive) and Semi-Trailer (Bogie Drive, 6-axle). Hirers are required to provide owner drivers with the Schedule that most closely relates to the owner driver's vehicle.

## **KEY ASSUMPTIONS**

The model set out in this Schedule is based on certain assumptions about the vehicle used, hours of work and the type of business. The assumptions used that have the greatest impact on the figures given are:

SUBJECT	COSTING ASSUMPTIONS	
Vehicle And Finance	<ul> <li>The fixed costs are based on:</li> <li>a vehicle with a current capital value of \$63,563 (being the current average retail value of a 5 year old vehicle).</li> <li>a vehicle subject to a lease arrangement, over a 4 year term with a 25% residual, with interest at a comparison interest rate of 8.10% per annum.</li> <li>Note that if the business owns the vehicle outright, or has a loan, the cost structure will be different with depreciation as the relevant cost rather than lease payments.</li> </ul>	
	All costs exclude GST.	
Driving Hours Per Year (Kilometres Travelled)	<ul> <li>The calculation of the fixed costs assumes the vehicle is in operation for 8 driving hours per day for 230 working days a year. This equals 1,840 hours of operation a year.</li> <li>The model spreads fixed operating costs over those 1,840</li> </ul>	
	hours.	
	• In Part 4, a separate hourly rate for hours over and above the base hours of 1,840 a year is provided. To avoid double counting of fixed costs, this rate only includes variable costs and a return for labour, based on an overtime labour rate.	

The cost structure of the individual business will be significantly different if, for example:

- The age, current capital value (or both) of the vehicle is less or more than the above figures;
- Other finance arrangements apply (for example, the vehicle is fully owned or is subject to a loan);
- More or fewer hours are worked each year.

Because of these potential variations, great care should be taken in using the indicative figures set out in the cost model, as the costs of the individual business may vary significantly.

To assist owner drivers to calculate their own unique cost model, a blank column is included to calculate the business's own unique costs.

## **RATE STRUCTURES**

This model calculates the cost of running a typical owner driver business, described as an hourly rate, made up of fixed and variable costs and a payment for the owner driver's labour. The Schedule does not calculate or suggest any particular rate calculation or payment method.

Arrangements for payment for owner drivers in the transport industry vary enormously. They can be paid an hourly rate, a load rate, parcel rate, on the basis of tasks performed, or even kilometres travelled. If an owner driver is paid on such an arrangement, the Schedule set out below can be used as a base to calculate the cost to the business of travelling per kilometre, or delivering a particular load. Unions, industry associations or accountants and other professional advisers can assist in this task.

# Fixed Annual Costs – Per Year and Per Hour

FIXED COSTS				
Cost Items Assumptions used in the Example	Example: Typical Cost Per Year	Your Costs: \$	Variations in this Cost Item	
Vehicle Lease Costs This model is based on a vehicle with a current capital value of \$63,567 (based on typical retail value of a 5 year old vehicle), and is based on a lease arrangement over a 4 year term with a 25% residual, at 8.10% interest per annum.	\$15,179		<ul> <li>Finance arrangements will vary widely depending on:</li> <li>if the arrangement is a lease or hire purchase, or purchase of the vehicle through a loan; or</li> <li>if the arrangement is a loan, then the purchase price, the amount borrowed and the loan terms will affect cash-flow, and depreciation needs to be allowed for.</li> </ul>	
Registration, Permits and TAC Fees Based on vehicle registration fee of \$542 and TAC charge of \$677.60 which is net of GST. Assumes payment is made on an annual basis. TAC charge assumes vehicle is garaged in a high risk area (e.g. metropolitan Melbourne).	\$1,219.60		These fees are current as at 1 July 2012 but may change. Additional licences may be payable for certain types of operations (e.g. interstate registration, oversize, port security permit, dangerous goods). Additional administration charges may apply to registration fees if they are paid in instalments. TAC charges may be lower if the vehicle is garaged in a medium or low risk area.	
Superannuation Self-funded, based on 9% of own labour assumed at \$35,778.	\$3,220			
Insurance Comprehensive Vehicle Based on rate of 3.15% per annum. Based on operator who is over the age of 25, has at least 5 years experience and no claims history. Assumes vehicle is not carrying dangerous goods. Assumes vehicle is travelling intrastate only.	\$2,002		Rates may be higher for interstate trucks. Additional insurance charges may apply to certain kinds of goods carried (e.g. refrigerated goods or livestock). Comprehensive vehicle insurance costs may vary depending upon the age and value of the equipment insured, the insurance provider, the amount of any excess payable, the individual's claims history, the age and experience level of the driver and whether the vehicle is carrying dangerous goods.	

FIXED COSTS				
Cost Items Assumptions used in the Example	Example: Typical Cost Per Year	Your Costs: \$	Variations in this Cost Item	
Insurance Goods in Transit Based on sum insured \$50,000. Assumes vehicle is not carrying dangerous goods.	\$400		The cost of goods in transit insurance may vary depending on the type of goods being transported.	
Insurance Personal Sickness and Accident/ Income Basic policy, based on 80% of income for 52 weeks, 30 day waiting period. Assumes driver is travelling intrastate only. Assumes driver has no pre-existing conditions. Maximum age limit of 60 years.	\$450		The cost of personal income and accident insurance (also called income protection insurance) will vary depending on the individual's health history, the amount of income insured, the period of time after an accident before benefits are payable and the maximum period over which benefits are paid.	
<b>Insurance Public Liability</b> Assumes policy for public liability claims up to \$10 million.	\$405			
Insurance Workers' Compensation Assumed at the rate of 4.698% for the assumed labour rate of the business owner of \$35,778. Assumes vehicle is primarily travelling intrastate.	\$1,680		The rate is current as at 1 October 2011 and is subject to change. The rate charged for workers' compensation insurance may vary depending on whether the vehicle is travelling short or long distances and whether the vehicle is travelling interstate. The rate may also vary depending on the driver's claims history.	

FIXED COSTS				
Cost Items Assumptions used in the Example	Example: Typical Cost Per Year	Your Costs: \$	Variations in this Cost Item	
Business Administration Costs Includes maintenance of	\$2,770		Accounting/bookkeeping fees may be lower if the business prepares its own BAS and accounts.	
records, preparation of tax returns, mobile phone charges, consumer price			<b>Mobile phone charges</b> will vary significantly depending on level of use.	
index and sundry business expenses.			Other costs: Professional association fees, accommodation costs, parking fees, bank charges, and other costs should be allowed for where relevant. This example is based on a business that is already up and running, and does not take into account the costs of starting a business (e.g. registering a company). This figure may also vary depending on contractual conditions.	
Total annual fixed costs	\$27,325.60			
<b>Total hourly fixed costs</b> Assuming 1,840 vehicle operation hours	\$14.85		Assumes that the annual fixed costs of the business are spread over 1,840 vehicle operation hours per year.	

# Variable Costs – Per Kilometre and Per Hour

VARIABLE COSTS PER KILOMETRE					
<b>Cost Items Assumptions</b> Assumes 35,000 km Travelled Per Year	Typical Cost Per Km	Your Costs Per Km	Variations in this Cost Item		
<b>Fuel</b> Based on retail diesel fuel cost as at 1 January 2012 of 135.46 cents per litre which is net of GST. Assumes 4.07 km per litre consumed.	33.28 cents		Fuel is the single biggest variable cost and will significantly affect your business. Fuel costs will also vary depending on the age, features and condition of the vehicle.		

VARIABLE COSTS PER KILOMETRE				
<b>Cost Items Assumptions</b> Assumes 35,000 km Travelled Per Year	Typical Cost Per Km	Your Costs Per Km	Variations in this Cost Item	
<b>Tyres</b> Assumes cost of \$792 per tyre.	4.22 cents		Consumption of tyres will vary with the age of vehicle, off-road use, geographic and road conditions, braking frequency and driving techniques and the quality of the tyres used. Cost of tyres will also vary depending on the manufacturer, type of tyre and any discount arrangements.	
Servicing, Repairs and Maintenance Based on rate of 9.09 cents per kilometre.	9.09 cents		Repair and maintenance costs will vary significantly with the age and condition of the vehicle. Major repairs may be a one-off major cost in any given year. Significant savings can be made if the business does its own servicing and repairs.	
Total variable costs per km	46.55 cents			
<b>Total variable costs</b> <b>per driving hour</b> Assumes 20 km travelled per hour.	\$9.31		These rates are typical for city driving only. The number of kilometres travelled per hour will vary significantly depending on the routes travelled, whether the work is metropolitan or regional, how often the vehicle stops to load or unload and the nature of the work. Drivers who travel long distance or in the country will need to take this into account for their own calculations.	

Note: Citylink tolls: Where directed to take a route using tolls you may incur an additional cost for road tolls.

### A Payment for the Owner Driver's Own Labour

The next factor to include in a business cost model is an amount for the business owner's own work (labour) in driving the vehicle and in work such as loading and unloading and tasks necessary in running the business. This Part will provide information to assist owner drivers to determine the amount they can aim to receive as a payment for that labour.

Because an owner driver is a small business (not an employee) the hirer is not legally obliged to pay a minimum wage or rate of pay. However, the wages that are paid to employee drivers are a useful guide to the market for the labour services of driving a vehicle.

Set out below are rates that would typically be paid for driving a vehicle if this work was performed by an employee rather than an owner driver.

These rates will vary over time, and should be used as a general guide only. Unions, industry associations, newspaper job advertisements and other drivers are sources of advice about the going rates in your industry sector.

TYPICAL BASE AND CASUAL RATES PAID TO EMPLOYEE DRIVERS PER HOUR					
	base hourly rate <sup>(1)</sup>	<b>casual/loaded</b> <b>hourly rate</b> <sup>(2)</sup> (includes allowance for leave, etc.)	overtime rate <sup>(3)</sup> For the first two hours over 8 per day or 38 per week	overtime rate <sup>(3)</sup> For hours worked over 10 per day or 48 per week	
	\$21.07	\$21.93	\$26.31	\$35.08	
Range of rates typically paid in Victoria <sup>(4)</sup>	\$21.07 to \$25.21	\$21.93 to \$26.26	\$26.31 to \$31.51	\$35.08 to \$42.02	

Notes:

1 Base hourly rate. The base hourly rate is based on the rate in the Road Transport and Distribution Award 2010 for an employee driver of a 8 Tonne (GVM) Rigid Vehicle ('the Award rate'). The base hourly rate is calculated by first working out the minimum amount an employee driver working a 38 hour week would be paid under the Award over one year (including 4 weeks annual leave, 10 days personal/carer's leave, 10 public holidays and 17.5% annual leave loading). This amount is then converted to an hourly rate for working 38 hours per week over 44 weeks (one year less the paid leave and public holiday entitlements of a full-time employee).

The Award rate is accurate as at 1 July 2012, but is varied from time to time by Fair Work Australia. You can find information about the most recently published minimum employee rates by visiting www.fairwork.gov.au or contacting your association or union.

- **2** Casual/loaded rate. The casual/loaded rate includes an additional 25% loading. This is compensation for not receiving the paid annual leave, personal/carer's leave and public holidays that ongoing employees enjoy. The casual/loaded rate is calculated on the Award rate.
- **3** Overtime rates. Employee drivers in Victoria would typically receive payment at overtime rates for hours worked in excess of 38 hours a week. Typically a 50% loading applies for the first two hours of overtime per day or up to 48 hours per week and then a 100% loading for hours thereafter. The overtime rates are calculated on the Award rate.
- 4 The range of rates in Victoria. This part of the table sets out a range of rates typically paid in Victoria to employee drivers in the transport industry. A range is supplied because the rate paid will vary depending on whether a company is party to an enterprise agreement, the particular industry sector, the skill and efficiency of the particular driver and market factors such as whether there is a shortage of drivers in the area. The top rate in each range is calculated by adding 20% to the bottom rate.

### **Hourly Totals**

## A) Hourly total for hours up to 8 hours a day, 1,840 hours a year

TOTALS				
Totals Per Driving Hour	Typical Costs	Your Figures	Notes	
Fixed Costs	\$14.85		Assuming fixed costs spread over 1,840 hours.	
Variable Costs	\$9.31		Assuming 20 km travelled per hour.	
Labour	\$21.07		This worked example is based on a labour rate of \$21.07 per hour. See discussion on rates for labour in Part 3.	
Total per hour (up to 1,840 hours)	\$45.23		Note that this is not a prescribed or recommended rate.	
			Owner drivers are strongly recommended to consider their own circumstances and obtain advice.	

#### B) Total per hour - for hours in excess of 8 hours per day / 1,840 hours a year

This model assumes that the owner driver will recover fixed annual costs over 1,840 driving hours a year. Many owner drivers work longer than these hours, either extra days each week or longer hours each day. This table calculates an hourly rate for those extra hours, using variable and labour costs only, and using an overtime rate of pay.

TOTALS					
Totals Per Driving Hour	Typical Costs	Your Figures	Notes		
Variable Costs	\$9.31		Assuming 20 km travelled per hour.		
Labour (overtime rates)	\$26.31		This worked example is based on a nominal penalty labour rate of \$26.31 per hour (8–10 hours). See discussion on rates for labour in Part 3.		
Total per hour (over 1,840 hours)	\$35.62		Note that this is not a prescribed or recommended rate.		
			Owner drivers are strongly recommended to consider their own circumstances and obtain advice.		

In addition to the figures above, owner drivers should where relevant include any amount that they seek as a return on their capital investment. This issue is dealt with in section 11 of the Owner Drivers and Forestry Contractors Code of Practice, available from business.vic.gov.au

Note that this is not a prescribed or recommended rate. It is strongly recommended that owner drivers obtain advice on their own individual circumstances and discuss all issues with their hirer or potential hirer to ensure that there is no misunderstanding concerning payment structures.

# **Owner Drivers and Forestry Contractors Act 2005** DEPARTMENT OF BUSINESS AND INNOVATION TRANSPORT INDUSTRY COUNCIL

Rates and Costs Schedule 2012

4.5 Tonne Rigid Vehicle (GVM)

### INTRODUCTION

This Schedule is a general guide only. Owner drivers are strongly advised to seek independent professional accounting advice for their own situation and discuss all issues with their hirer or potential hirer to ensure that there is no misunderstanding concerning payment structures.

This Rates and Costs Schedule is published under section 14 of the **Owner Drivers and Forestry Contractors Act 2005** (Vic.) (the Act). Under the Act, this Schedule must be given by hirers to all new owner drivers three days prior to engagement. This Schedule will be revised at least annually, and under section 18 of the Act, hirers are required to give owner drivers a copy of any such revised Schedule as soon as practicable after it is published.

The Schedule is intended to assist owner drivers and their hirers to better understand the typical operating costs of an owner driver business and to inform their negotiations.

THE SCHEDULE DOES NOT SET MINIMUM RATES THAT MUST BE PAID.

The Schedule sets out a worked example of typical overhead costs for an owner driver supplying a 4.5 Tonne Rigid Vehicle. The worked example is based on certain assumptions about the business, for example, that the vehicle is 3 years old, is in operation for 8 hours a day and uses a certain number of tyres. The aim of the Schedule is to assist owner drivers to:

- better understand their business cost structures and how increases and decreases in different cost items affect overall profitability; and
- calculate their own unique cost model.

This Schedule applies to owner drivers<sup>1</sup> who supply a 4.5 Tonne Rigid Vehicle (4.5 tonne being the weight of the vehicle fully loaded) or similar vehicle.<sup>2</sup>

The Schedule is structured as follows:

#### PART 1 FIXED COSTS

Describes typical fixed (or annual) business costs. These are the costs that the business must pay each year regardless of how many kilometres the vehicle travels.

### PART 2 VARIABLE COSTS

Describes typical variable business costs. These are the costs (such as fuel and tyres) that vary with how many kilometres are travelled. These are calculated on an hourly basis.

#### PART 3 PAYMENT FOR LABOUR

Describes the range of rates that are typically paid to employee drivers for performing similar kinds of work, to assist the owner driver to determine what may be a reasonable payment for their own labour.

#### PART 4 TOTALS

This section allows the owner driver to prepare total hourly rates for ordinary hours (up to 1,840 a year) and excess hours.

<sup>1</sup> Owner Driver is defined in the **Owner Drivers and Forestry Contractors Act 2005**. The definition is also affected by the Owner Drivers and Forestry Contractors Regulations 2006 made under the Act.

<sup>2</sup> Rates and Costs Schedules have been published for 1 tonne GVM – General Freight, 4.5 tonne GVM, 8 tonne GVM, 12 tonne GVM (2-axle), Prime Mover (Bogie Drive) and Semi-Trailer (Bogie Drive, 6-axle). Hirers are required to provide owner drivers with the Schedule that most closely relates to the owner driver's vehicle.

The Schedule does not deal with the issue of return on investment, and this would need to be factored in where appropriate. The issue of return on investment is dealt with in section 11 of the Owner Drivers and Forestry Contractors Code of Practice.

### **KEY ASSUMPTIONS**

The model set out in this Schedule is based on certain assumptions about the vehicle used, hours of work and the type of business. The assumptions used that have the greatest impact on the figures given are:

SUBJECT	COSTING ASSUMPTIONS
Vehicle and Finance	<ul> <li>The fixed costs are based on:</li> <li>a vehicle with a current capital value of \$34,797 (being the current average retail value of a 3 year old vehicle).</li> <li>a vehicle subject to a lease arrangement, over a 4 year term with a 25% residual, with interest at a comparison interest rate of 8.10% per annum.</li> <li>Note that if the business owns the vehicle outright, or has a loan, the cost structure will be different with depreciation as the relevant cost rather than lease payments.</li> <li>All costs exclude GST.</li> </ul>
Driving Hours Per Year (Kilometres Travelled)	<ul> <li>The calculation of the fixed costs assumes the vehicle is in operation for 8 driving hours per day for 230 working days a year. This equals 1,840 hours of operation a year.</li> <li>The model spreads fixed operating costs over those 1,840 hours.</li> <li>In Part 4, a separate hourly rate for hours over and above the base hours of 1,840 a year is provided. To avoid double counting of fixed costs, this rate only includes variable costs and a return for labour, based on an overtime labour rate.</li> </ul>

The cost structure of the individual business will be significantly different if, for example:

- The age, current capital value (or both) of the vehicle is less or more than the above figures;
- Other finance arrangements apply (for example, the vehicle is fully owned or is subject to a loan);
- More or fewer hours are worked each year.

Because of these potential variations, great care should be taken in using the indicative figures set out in the cost model, as the costs of the individual business may vary significantly.

To assist owner drivers to calculate their own unique cost model, a blank column is included to calculate the business's own unique costs.

### **Rate Structures**

This model calculates the cost of running a typical owner driver business, described as an hourly rate, made up of fixed and variable costs and a payment for the owner driver's labour. The Schedule does not calculate or suggest any particular rate calculation or payment method.

Arrangements for payment for owner drivers in the transport industry vary enormously. They can be paid an hourly rate, a load rate, parcel rate, on the basis of tasks performed, or even kilometres travelled. If an owner driver is paid on such an arrangement, the Schedule set out below can be used as a base to calculate the cost to the business of travelling per kilometre, or delivering a particular load. Unions, industry associations or accountants and other professional advisers can assist in this task.

# Fixed Annual Costs – Per Year and Per Hour

FIXED COSTS				
Cost Items Assumptions used in the Example	Example: Typical Cost Per Year	Your Costs: \$	Variations in this Cost Item	
Vehicle Lease Costs This model is based on a vehicle with a current capital value of \$34,797 (based on typical retail value of a 3 year old vehicle), and is based on a lease arrangement over a 4 year term with a 25% residual, at 8.10% interest per annum.	\$8,309		<ul> <li>Finance arrangements will vary widely depending on:</li> <li>if the arrangement is a lease or hire purchase, or purchase of the vehicle through a loan; or</li> <li>if the arrangement is a loan, then the purchase price, the amount borrowed and the loan terms will affect cash-flow, and depreciation needs to be allowed for.</li> </ul>	
Registration, Permits and TAC Fees Based on vehicle registration fee of \$232.30 and TAC charge of \$677.60 which is net of GST. Assumes payment is made on an annual basis. TAC charge assumes vehicle is garaged in a high risk area (e.g. metropolitan Melbourne).	\$909.90		These fees are current as at 1 July 2012 but may change. Additional licences may be payable for certain types of operations (e.g. interstate registration, oversize, port security permit, dangerous goods). Additional administration charges may apply to registration fees if they are paid in instalments. TAC charges may be lower if the vehicle is garaged in a medium or low risk area.	
Superannuation Self-funded, based on 9% of own labour assumed at \$35,778.	\$3,220			
Insurance Comprehensive Vehicle Based on rate of 3.15% per annum. Based on operator who is over the age of 25, has at least 5 years experience and no claims history. Assumes vehicle is not carrying dangerous goods. Assumes vehicle is travelling intrastate only.	\$1,096		Rates may be higher for interstate trucks. Additional insurance charges may apply to certain kinds of goods carried (e.g. refrigerated goods or livestock). Comprehensive vehicle insurance costs may vary depending upon the age and value of the equipment insured, the insurance provider, the amount of any excess payable, the individual's claims history, the age and experience level of the driver and whether the vehicle is carrying dangerous goods.	

FIXED COSTS				
Cost Items Assumptions used in the Example	Example: Typical Cost Per Year	Your Costs: \$	Variations in this Cost Item	
Insurance Goods in Transit Based on sum insured \$50,000. Assumes vehicle is not carrying dangerous goods.	\$400		The cost of goods in transit insurance may vary depending on the type of goods being transported.	
Insurance Personal Sickness and Accident/ Income Basic policy, based on 80% of income for 52 weeks, 30 day waiting period. Assumes driver is travelling intrastate only. Assumes driver has no pre-existing conditions. Maximum age limit of 60 years.	\$450		The cost of personal income and accident insurance (also called income protection insurance) will vary depending on the individual's health history, the amount of income insured, the period of time after an accident before benefits are payable and the maximum period over which benefits are paid.	
<b>Insurance Public Liability</b> Assumes policy for public liability claims up to \$10 million.	\$405			
Insurance Workers' Compensation Assumed at the rate of 4.698% for the assumed labour rate of the business owner of \$35,778. Assumes vehicle is primarily travelling intrastate.	\$1,680		The rate is current as at 1 October 2011 and is subject to change. The rate charged for workers' compensation insurance may vary depending on whether the vehicle is travelling short or long distances and whether the vehicle is travelling interstate. The rate may also vary depending on the driver's claims history.	

FIXED COSTS				
Cost Items Assumptions used in the Example	Example: Typical Cost Per Year	Your Costs: \$	Variations in this Cost Item	
Business Administration Costs Includes maintenance of	\$2,774		Accounting/bookkeeping fees may be lower if the business prepares its own BAS and accounts.	
records, preparation of tax returns, mobile phone charges, consumer price			<b>Mobile phone charges</b> will vary significantly depending on level of use.	
index and sundry business expenses.			Other costs: Professional association fees, accommodation costs, parking fees, bank charges, and other costs should be allowed for where relevant. This example is based on a business that is already up and running, and does not take into account the costs of starting a business (e.g. registering a company). This figure may also vary depending on contractual conditions.	
Total annual fixed costs	\$19,243.90			
<b>Total hourly fixed costs</b> Assuming 1,840 vehicle operation hours	\$10.46		Assumes that the annual fixed costs of the business are spread over 1,840 vehicle operation hours per year.	

# Variable Costs – Per Kilometre and Per Hour

VARIABLE COSTS PER KILOMETRE				
<b>Cost Items Assumptions</b> Assumes 40,000 km Travelled Per Year	Typical Cost Per Km	Your Costs Per Km	Variations in this Cost Item	
<b>Fuel</b> Based on retail diesel fuel cost as at 1 January 2012 of 135.46 cents per litre which	27.37 cents		Fuel is the single biggest variable cost and will significantly affect your business. Fuel costs will also vary depending	
is net of GST. Assumes 4.95 km per litre consumed.			on the age, features and condition of the vehicle.	

VARIABLE COSTS PER KILOMETRE				
<b>Cost Items Assumptions</b> Assumes 40,000 km Travelled Per Year	Typical Cost Per Km	Your Costs Per Km	Variations in this Cost Item	
<b>Tyres</b> Assumes cost of \$298 per tyre.	2.88 cents		Consumption of tyres will vary with the age of vehicle, off-road use, geographic and road conditions, braking frequency and driving techniques and the quality of the tyres used. Cost of tyres will also vary depending on the manufacturer, type of tyre and any discount arrangements.	
Servicing, Repairs and Maintenance Based on rate of 7.12 cents per kilometre.	7.12 cents		Repair and maintenance costs will vary significantly with the age and condition of the vehicle. Major repairs may be a one-off major cost in any given year. Significant savings can be made if the business does its own servicing	
Total variable costs per km	37.37 cents		and repairs	
Total variable costs per lina driving hour Assumes 22 km travelled per hour.	\$8.22		These rates are typical for city driving only. The number of kilometres travelled per hour will vary significantly depending on the routes travelled, whether the work is metropolitan or regional, how often the vehicle stops to load or unload and the nature of the work. Drivers who travel long distance or in the country will need to take this into account for their own calculations.	

Note: Citylink tolls: Where directed to take a route using tolls you may incur an additional cost for road tolls.

#### A Payment for the Owner Driver's Own Labour

The next factor to include in a business cost model is an amount for the business owner's own work (labour) in driving the vehicle and in work such as loading and unloading and tasks necessary in running the business. This Part will provide information to assist owner drivers to determine the amount they can aim to receive as a payment for that labour.

Because an owner driver is a small business (not an employee) the hirer is not legally obliged to pay a minimum wage or rate of pay. However, the wages that are paid to employee drivers are a useful guide to the market for the labour services of driving a vehicle.

Set out below are rates that would typically be paid for driving a vehicle if this work was performed by an employee rather than an owner driver.

These rates will vary over time, and should be used as a general guide only. Unions, industry associations, newspaper job advertisements and other drivers are sources of advice about the going rates in your industry sector.

TYPICAL BAS	E AND CASUAL R base hourly rate <sup>(1)</sup>	ATES PAID TO E casual/loaded hourly rate <sup>(2)</sup> (includes allowance for	<b>MPLOYEE DRIV</b> <b>overtime rate</b> <sup>(3)</sup> For the first two hours over 8 per day or 38 per	<b>OVERS PER HOUR</b> <b>overtime rate</b> <sup>(3)</sup> For hours worked over 10 per day or 48 per
		leave, etc.)	week	week
	\$21.07	\$21.93	\$26.31	\$35.08
Range of rates typically paid in Victoria <sup>(4)</sup>	\$21.07 to \$25.21	\$21.93 to \$26.26	\$26.31 to \$31.51	\$35.08 to \$42.02

Notes:

**1 Base hourly rate.** The base hourly rate is based on the rate in the Road Transport and Distribution Award 2010 for an employee driver of a 4.5 Tonne (GVM) Rigid Vehicle ('the Award rate'). The base hourly rate is calculated by first working out the minimum amount an employee driver working a 38 hour week would be paid under the Award over one year (including 4 weeks annual leave, 10 days personal/carer's leave, 10 public holidays and 17.5% annual leave loading). This amount is then converted to an hourly rate for working 38 hours per week over 44 weeks (one year less the paid leave and public holiday entitlements of a full-time employee).

The Award rate is accurate as at 1 July 2012, but is varied from time to time by Fair Work Australia. You can find information about the most recently published minimum employee rates by visiting www.fairwork.gov.au or contacting your association or union.

- **2** Casual/loaded rate. The casual/loaded rate includes an additional 25% loading. This is compensation for not receiving the paid annual leave, personal/carer's leave and public holidays that ongoing employees enjoy. The casual/loaded rate is calculated on the Award rate.
- **3** Overtime rates. Employee drivers in Victoria would typically receive payment at overtime rates for hours worked in excess of 38 hours a week. Typically a 50% loading applies for the first two hours of overtime per day or up to 48 hours per week and then a 100% loading for hours thereafter. The overtime rates are calculated on the Award rate.
- **4** The range of rates in Victoria. This part of the table sets out a range of rates typically paid in Victoria to employee drivers in the transport industry. A range is supplied because the rate paid will vary depending on whether a company is party to an enterprise agreement, the particular industry sector, the skill and efficiency of the particular driver and market factors such as whether there is a shortage of drivers in the area. The top rate in each range is calculated by adding 20% to the bottom rate.

### **Hourly Totals**

## A) Hourly total for hours up to 8 hours a day, 1,840 hours a year

TOTALS			
Totals Per Driving Hour	Typical Costs	Your Figures	Notes
Fixed Costs	\$10.46		Assuming fixed costs spread over 1,840 hours.
Variable Costs	\$8.22		Assuming 22 km travelled per hour.
Labour	\$21.07		This worked example is based on a labour rate of \$21.07 per hour. See discussion on rates for labour in Part 3.
Total per hour (up to 1,840 hours)	\$42.49		Note that this is not a prescribed or recommended rate.
			Owner drivers are strongly recommended to consider their own circumstances and obtain advice.

#### B) Total per hour - for hours in excess of 8 hours per day / 1,840 hours a year

This model assumes that the owner driver will recover fixed annual costs over 1,840 driving hours a year. Many owner drivers work longer than these hours, either extra days each week or longer hours each day. This table calculates an hourly rate for those extra hours, using variable and labour costs only, and using an overtime rate of pay.

TOTALS			
Totals Per Driving Hour	Typical Costs	Your Figures	Notes
Variable Costs	\$8.22		Assuming 22 km travelled per hour.
Labour (overtime rates)	\$26.31		This worked example is based on a nominal penalty labour rate of \$26.31 per hour. See discussion on rates for labour in Part 3.
Total per hour (over 1,840 hours)	\$37.27		Note that this is not a prescribed or recommended rate. Owner drivers are strongly recommended to consider their own circumstances and obtain advice.

In addition to the figures above, owner drivers should where relevant include any amount that they seek as a return on their capital investment. This issue is dealt with in section 11 of the Owner Drivers and Forestry Contractors Code of Practice, available from business.vic.gov.au

Note that this is not a prescribed or recommended rate. It is strongly recommended that owner drivers obtain advice on their own individual circumstances and discuss all issues with their hirer or potential hirer to ensure that there is no misunderstanding concerning payment structures.

# Owner Drivers and Forestry Contractors Act 2005 DEPARTMENT OF BUSINESS AND INNOVATION TRANSPORT INDUSTRY COUNCIL Rates and Costs Schedule 2012 1 Tonne Vehicle (GVM) – General Freight

### INTRODUCTION

This Schedule is a general guide only. Owner drivers are strongly advised to seek independent professional accounting advice for their own situation and discuss all issues with their hirer or potential hirer to ensure that there is no misunderstanding concerning payment structures.

This Rates and Costs Schedule is published under section 14 of the **Owner Drivers and Forestry Contractors Act 2005** (Vic.) (the Act). Under the Act, this Schedule must be given by hirers to all new owner drivers three days prior to engagement. This Schedule will be revised at least annually, and under section 18 of the Act, hirers are required to give owner drivers a copy of any such revised Schedule as soon as practicable after it is published.

The Schedule is intended to assist owner drivers and their hirers to better understand the typical operating costs of an owner driver business and to inform their negotiations.

THE SCHEDULE DOES NOT SET MINIMUM RATES THAT MUST BE PAID.

The Schedule sets out a worked example of typical overhead costs for an owner driver supplying a 1 Tonne Vehicle. The worked example is based on certain assumptions about the business, for example, that the vehicle is 2 years old, is in operation for 8 hours a day and uses a certain number of tyres. The aim of the Schedule is to assist owner drivers to:

- better understand their business cost structures and how increases and decreases in different cost items affect overall profitability; and
- calculate their own unique cost model.

This Schedule applies to owner drivers<sup>1</sup> who supply a 1 Tonne Vehicle (1 tonne being the weight of the vehicle fully loaded) or similar vehicle.<sup>2</sup>

The Schedule is structured as follows:

#### PART 1 FIXED COSTS

Describes typical fixed (or annual) business costs. These are the costs that the business must pay each year regardless of how many kilometres the vehicle travels.

### PART 2 VARIABLE COSTS

Describes typical variable business costs. These are the costs (such as fuel and tyres) that vary with how many kilometres are travelled. These are calculated on an hourly basis.

#### PART 3 PAYMENT FOR LABOUR

Describes the range of rates that are typically paid to employee drivers for performing similar kinds of work, to assist the owner driver to determine what may be a reasonable payment for their own labour.

#### PART 4 TOTALS

This section allows the owner driver to prepare total hourly rates for ordinary hours (up to 1,840 a year) and excess hours.

<sup>1</sup> Owner Driver is defined in the **Owner Drivers and Forestry Contractors Act 2005**. The definition is also affected by the Owner Drivers and Forestry Contractors Regulations 2006 made under the Act.

<sup>2</sup> Rates and Costs Schedules have been published for 1 tonne GVM – General Freight, 4.5 tonne GVM, 8 tonne GVM, 12 tonne GVM (2-axle), Prime Mover (Bogie Drive) and Semi-Trailer (Bogie Drive, 6-axle). Hirers are required to provide owner drivers with the Schedule that most closely relates to the owner driver's vehicle.

The Schedule does not deal with the issue of return on investment, and this would need to be factored in where appropriate. The issue of return on investment is dealt with in section 11 of the Owner Drivers and Forestry Contractors Code of Practice.

## **KEY ASSUMPTIONS**

The model set out in this Schedule is based on certain assumptions about the vehicle used, hours of work and the type of business. The assumptions used that have the greatest impact on the figures given are:

SUBJECT	COSTING ASSUMPTIONS	
Vehicle and Finance	<ul> <li>The fixed costs are based on:</li> <li>a vehicle with a current capital value of \$21,385 (being the current average retail value of a 2 year old vehicle).</li> <li>a vehicle subject to a lease arrangement, over a 4 year term with a 25% residual, with interest at a comparison interest rate of 8.10% per annum.</li> <li>Note that if the business owns the vehicle outright, or has a loan, the cost structure will be different with depreciation as the relevant cost rather than lease payments.</li> </ul>	
	All costs exclude GST.	
Driving Hours Per Year (Kilometres Travelled)	• The calculation of the fixed costs assumes the vehicle is in operation for 8 driving hours per day for 230 working days a year. This equals 1,840 hours of operation a year.	
	• The model spreads fixed operating costs over those 1,840 hours.	
	• In Part 4, a separate hourly rate for hours over and above the base hours of 1,840 a year is provided. To avoid double counting of fixed costs, this rate only includes variable costs and a return for labour, based on an overtime labour rate.	

The cost structure of the individual business will be significantly different if, for example:

- The age, current capital value (or both) of the vehicle is less or more than the above figures;
- Other finance arrangements apply (for example, the vehicle is fully owned or is subject to a loan);
- More or fewer hours are worked each year.

Because of these potential variations, great care should be taken in using the indicative figures set out in the cost model, as the costs of the individual business may vary significantly.

To assist owner drivers to calculate their own unique cost model, a blank column is included to calculate the business's own unique costs.

### **Rate Structures**

This model calculates the cost of running a typical owner driver business, described as an hourly rate, made up of fixed and variable costs and a payment for the owner driver's labour. The Schedule does not calculate or suggest any particular rate calculation or payment method.

Arrangements for payment for owner drivers in the transport industry vary enormously. They can be paid an hourly rate, a load rate, parcel rate, on the basis of tasks performed, or even kilometres travelled. If an owner driver is paid on such an arrangement, the Schedule set out below can be used as a base to calculate the cost to the business of travelling per kilometre, or delivering a particular load. Unions, industry associations or accountants and other professional advisers can assist in this task.

# Fixed Annual Costs – Per Year and Per Hour

FIXED COSTS				
Cost Items Assumptions used in the Example	Example: Typical Cost Per Year	Your Costs: \$	Variations in this Cost Item	
Vehicle Lease Costs This model is based on a vehicle with a current capital value of \$21,385 (based on typical retail value of a 2 year old vehicle), and is based on a lease arrangement over a 4 year term with a 25% residual, at 8.10% interest per annum.	\$5,106		<ul> <li>Finance arrangements will vary widely depending on:</li> <li>if the arrangement is a lease or hire purchase, or purchase of the vehicle through a loan; or</li> <li>if the arrangement is a loan, then the purchase price, the amount borrowed and the loan terms will affect cash-flow, and depreciation needs to be allowed for.</li> </ul>	
Registration, Permits and TAC Fees Based on vehicle registration fee of \$232.30 and TAC charge of \$465.30 which is net of GST. Assumes payment is made on an annual basis. TAC charge assumes vehicle is garaged in a high risk area (e.g. metropolitan Melbourne).	\$697.60		These fees are current as at 1 July 2012 but may change. Additional licences may be payable for certain types of operations (e.g. interstate registration, oversize, port security permit, dangerous goods). Additional administration charges may apply to registration fees if they are paid in instalments. TAC charges may be lower if the vehicle is garaged in a medium or low risk area.	
Superannuation Self-funded, based on 9% of own labour assume at \$35,336.	\$3,180			
Insurance Comprehensive Vehicle Based on rate of 3.15% per annum. Based on operator who is over the age of 25, has at least 5 years experience and no claims history. Assumes vehicle is not carrying dangerous goods. Assumes vehicle is travelling intrastate only.	\$673		Rates may be higher for interstate trucks. Additional insurance charges may apply to certain kinds of goods carried (e.g. refrigerated goods or livestock). Comprehensive vehicle insurance costs may vary depending upon the age and value of the equipment insured, the insurance provider, the amount of any excess payable, the individual's claims history, the age and experience level of the driver and whether the vehicle is carrying dangerous goods.	

FIXED COSTS				
Cost Items Assumptions used in the Example	Example: Typical Cost Per Year	Your Costs: \$	Variations in this Cost Item	
Insurance Goods in Transit Based on sum insured \$50,000. Assumes vehicle is not carrying dangerous goods.	\$400		The cost of goods in transit insurance may vary depending on the type of goods being transported.	
Insurance Personal Sickness and Accident/ Income Basic policy, based on 80% of income for 52 weeks, 30 day waiting period. Assumes driver is travelling intrastate only. Assumes driver has no pre-existing conditions. Maximum age limit of 60 years.	\$450		The cost of personal income and accident insurance (also called income protection insurance) will vary depending on the individual's health history, the amount of income insured, the period of time after an accident before benefits are payable and the maximum period over which benefits are paid.	
<b>Insurance Public Liability</b> Assumes policy for public liability claims up to \$10 million.	\$405			
Insurance Workers' Compensation Assumed at the rate of 4.698% for the assumed labour rate of the business owner of \$35,336. Assumes vehicle is primarily travelling intrastate.	\$1,660		The rate is current as at 1 October 2011 and is subject to change. The rate charged for workers' compensation insurance may vary depending on whether the vehicle is travelling short or long distances and whether the vehicle is travelling interstate. The rate may also vary depending on the driver's claims history. Note: It is not uncommon for hirers of this type of vehicle to pay workers' compensation premiums on behalf of the owner driver. Drivers are advised to consult their hirer about this cost.	

FIXED COSTS				
Cost Items Assumptions used in the Example	Example: Typical Cost Per Year	Your Costs: \$	Variations in this Cost Item	
Business Administration Costs Includes maintenance of	\$2,774		Accounting/bookkeeping fees may be lower if the business prepares its own BAS and accounts.	
records, preparation of tax returns, mobile phone charges, consumer price			<b>Mobile phone charges</b> will vary significantly depending on level of use.	
index and sundry business expenses.			Other costs: Professional association fees, accommodation costs, parking fees, bank charges, and other costs should be allowed for where relevant. This example is based on a business that is already up and running, and does not take into account the costs of starting a business (e.g. registering a company). This figure may also vary depending on contractual conditions.	
Total annual fixed costs	\$15,345.60			
<b>Total hourly fixed costs</b> Assuming 1,840 vehicle operation hours.	\$8.34		Assumes that the annual fixed costs of the business are spread over 1,840 vehicle operation hours per year.	

# Variable Costs – Per Kilometre and Per Hour

VARIABLE COSTS PER KILOMETRE				
<b>Cost Items Assumptions</b> Assumes 40,000 km Travelled Per Year	Typical Cost Per Km	Your Costs Per Km	Variations in this Cost Item	
<b>Fuel</b> Based on retail diesel fuel cost as at 1 January 2012 of	24.67 cents		Fuel is the single biggest variable cost and will significantly affect your business.	
135.46 cents per litre which is net of GST. Assumes 5.49 km per litre consumed.			Fuel costs will also vary depending on the age, features and condition of the vehicle.	

VARIABLE COSTS PER KILOMETRE				
<b>Cost Items Assumptions</b> Assumes 40,000 km Travelled Per Year	Typical Cost Per Km	Your Costs Per Km	Variations in this Cost Item	
<b>Tyres</b> Assumes cost of \$298 per tyre.	1.95 cents		Consumption of tyres will vary with the age of vehicle, off-road use, geographic and road conditions, braking frequency and driving techniques and the quality of the tyres used. Cost of tyres will also vary depending on the manufacturer, type of tyre and any discount arrangements.	
Servicing, Repairs and Maintenance Based on rate of 4.36 cents per kilometre.	4.36 cents		Repair and maintenance costs will vary significantly with the age and condition of the vehicle. Major repairs may be a one-off major cost in any given year. Significant savings can be made if the business does its own servicing	
			and repairs.	
Total variable costs per km	30.98 cents			
<b>Total variable costs per driving hour</b> Assumes 25 km travelled per hour.	\$7.75		These rates are typical for city driving only. The number of kilometres travelled per hour will vary significantly depending on the routes travelled, whether the work is metropolitan or regional, how often the vehicle stops to load or unload and the nature of the work. Drivers who travel long distance or in the country will need to take this into account for their own calculations.	

Note: Citylink tolls: Where directed to take a route using tolls you may incur an additional cost for road tolls.

#### A Payment for the Owner Driver's Own Labour

The next factor to include in a business cost model is an amount for the business owner's own work (labour) in driving the vehicle and in work such as loading and unloading and tasks necessary in running the business. This Part will provide information to assist owner drivers to determine the amount they can aim to receive as a payment for that labour.

Because an owner driver is a small business (not an employee) the hirer is not legally obliged to pay a minimum wage or rate of pay. However, the wages that are paid to employee drivers are a useful guide to the market for the labour services of driving a vehicle.

Set out below are rates that would typically be paid for driving a vehicle if this work was performed by an employee rather than an owner driver.

These rates will vary over time, and should be used as a general guide only. Unions, industry associations, newspaper job advertisements and other drivers are sources of advice about the going rates in your industry sector.

TYPICAL BASE AND CASUAL RATES PAID TO EMPLOYEE DRIVERS PER HOUR					
	base hourly rate <sup>(1)</sup>	<b>casual/loaded</b> <b>hourly rate</b> <sup>(2)</sup> (includes allowance for leave, etc.)	overtime rate <sup>(3)</sup> For the first two hours over 8 per day or 38 per week	overtime rate <sup>(3)</sup> For hours worked over 10 per day or 48 per week	
	\$20.30	\$21.66	\$26.00	\$34.66	
Range of rates typically paid in Victoria <sup>(4)</sup>	\$20.30 to \$24.91	\$21.66 to \$25.95	\$26.00 to \$31.14	\$34.66 to \$41.52	

Notes:

**1 Base hourly rate.** The base hourly rate is based on the rate in the Road Transport and Distribution Award 2010 for an employee driver of a 1 Tonne Vehicle (GVM) ('the Award rate'). The base hourly rate is calculated by first working out the minimum amount an employee driver working a 38 hour week would be paid under the Award over one year (including 4 weeks annual leave, 10 days personal/carer's leave, 10 public holidays and 17.5% annual leave loading). This amount is then converted to an hourly rate for working 38 hours per week over 44 weeks (one year less the paid leave and public holiday entitlements of a full-time employee).

The Award rate is accurate as at 1 July 2012, but is varied from time to time by Fair Work Australia. You can find information about the most recently published minimum employee rates by visiting www.fairwork.gov.au or contacting your association or union.

- **2** Casual/loaded rate. The casual/loaded rate includes an additional 25% loading. This is compensation for not receiving the paid annual leave, personal/carer's leave and public holidays that ongoing employees enjoy. The casual/loaded rate is calculated on the Award rate.
- **3** Overtime rates. Employee drivers in Victoria would typically receive payment at overtime rates for hours worked in excess of 38 hours a week. Typically a 50% loading applies for the first two hours of overtime per day or up to 48 hours per week and then a 100% loading for hours thereafter. The overtime rates are calculated on the Award rate.
- **4** The range of rates in Victoria. This part of the table sets out a range of rates typically paid in Victoria to employee drivers in the transport industry. A range is supplied because the rate paid will vary depending on whether a company is party to an enterprise agreement, the particular industry sector, the skill and efficiency of the particular driver and market factors such as whether there is a shortage of drivers in the area. The top rate in each range is calculated by adding 20% to the bottom rate.

### **Hourly Totals**

## A) Hourly total for hours up to 8 hours a day, 1,840 hours a year

TOTALS			
Totals Per Driving Hour	Typical Costs	Your Figures	Notes
Fixed Costs	\$8.34		Assuming fixed costs spread over 1,840 hours.
Variable Costs	\$7.75		Assuming 25 km travelled per hour.
Labour	\$20.30		This worked example is based on a labour rate of \$20.30 per hour. See discussion on rates for labour in Part 3.
Total per hour (up to 1,840 hours)	\$36.39		Note that this is not a prescribed or recommended rate.
			Owner drivers are strongly recommended to consider their own circumstances and obtain advice.

#### B) Total per hour - for hours in excess of 8 hours per day / 1,840 hours a year

This model assumes that the owner driver will recover fixed annual costs over 1,840 driving hours a year. Many owner drivers work longer than these hours, either extra days each week or longer hours each day. This table calculates an hourly rate for those extra hours, using variable and labour costs only, and using an overtime rate of pay.

TOTALS			
Totals Per Driving Hour	Typical Costs	Your Figures	Notes
Variable Costs	\$7.75		Assuming 25 km travelled per hour.
Labour (overtime rates)	\$26.00		This worked example is based on a nominal penalty labour rate of \$26.00 per hour. See discussion on rates for labour in Part 3.
Total per hour (over 1,840 hours)	\$33.75		Note that this is not a prescribed or recommended rate. Owner drivers are strongly recommended to consider their own circumstances and obtain
			advice.

In addition to the figures above, owner drivers should where relevant include any amount that they seek as a return on their capital investment. This issue is dealt with in section 11 of the Owner Drivers and Forestry Contractors Code of Practice, available from business.vic.gov.au

Note that this is not a prescribed or recommended rate. It is strongly recommended that owner drivers obtain advice on their own individual circumstances and discuss all issues with their hirer or potential hirer to ensure that there is no misunderstanding concerning payment structures.
#### Plant Biosecurity Act 2010

NOTICE OF EXTENSION

Order Declaring a Restricted Area in Victoria at Tungamah for the Control of Oueensland Fruit Fly

I, Peter Walsh, Minister for Agriculture and Food Security, extend the Order made on 12 October 2011, under section 20 of the **Plant Health and Plant Products Act 1995**, declaring a restricted area at Tungamah for the control of Queensland fruit fly, for a further period of 12 months commencing on 12 October 2012.

The Order was published in Government Gazette G42 on 20 October 2011. The Order specifies prohibitions, restrictions and requirements so as to prevent the spread of Queensland Fruit Fly from Tungamah to other parts of Victoria.

A copy of the Order and Notices may be obtained by contacting Biosecurity Victoria on (03) 9210 9390.

Dated 9 October 2012

PETER WALSH MLA Minister for Agriculture and Food Security

#### Plant Biosecurity Act 2010

#### REVOCATION OF ORDER PROHIBITING OR RESTRICTING THE IMPORTATION OR ENTRY OF LETTUCE LEAF BLIGHT HOST MATERIAL INTO VICTORIA

I, Patrick Sharkey, as delegate of the Minister of Agriculture, hereby revoke the Order made under section 24 of the **Plant Health and Plant Products Act 1995** and published in Government Gazette G41 on 13 October 2011 prohibiting or restricting the importation or entry of lettuce leaf blight host material into Victoria.

Dated 15 October 2012

PATRICK SHARKEY Plant Biosecurity Manager

#### Veterinary Practice Act 1997

#### ENDORSEMENT OF REGISTRATION AS A SPECIALIST PRACTITIONER

Under section 8 of the **Veterinary Practice Act 1997**, the following veterinary practitioners have been granted endorsement of registration as specialist practitioners by the Veterinary Practitioners Registration Board of Victoria.

SPEC NO.	NAME	SPECIALISATION
139	Jalim, Sarah	Equine Surgery
140	Hambrook, Lydia Evelyn	Small Animal Medicine
Dated 3 October 2012		
		DR SALLY WHYTE
		Registrar and Executive Officer
	Veterinary Practition	oners Registration Board of Victoria

#### Road Safety Act 1986

#### DECLARATION UNDER SECTION 99B(4)

I, Steve Brown, Executive Director Regional Services VicRoads, under section 99B(4) of the **Road Safety Act 1986**, declare that for the purposes of the event known as the 'Run Ballarat' the Road Rules do not apply to the activities of the Event, for the times and with respect to the highway or parts of the highway listed in the Schedule.

1. In this notice, unless the context or subject-matter otherwise requires -

'Event' means the Run Ballarat to be conducted on Sunday 21 October 2012;

'Road Rules' means the Road Rules within the meaning of the Road Safety (Road Rules) 2009.

2. This declaration takes effect from the date of commencement of the Event until completion of the Event.

	r
STAGE AND TIME	HIGHWAYS SUBJECT TO THIS DECLARATION AS PART OF THE EVENT
Sunday 21 October 2012 7.00 am to 11.00 am	Ballarat–Burrumbeet Road (between Pleasant Street and Grenville Street)
	Midland Highway (between Mair Street and Dana Street)
	Dana Street (between Midland Highway and Lydiard Street)
	Mair Street (between Lydiard Street and Drummond Street)
	Drummond Street (between Mair Street and Mill Street)
	Mill Street (between Drummond Street and Wendouree Parade) Wendouree Parade, Pleasant Street (between Wendouree Parade and Sussex Street).

#### Schedule

STEVE BROWN Executive Director Regional Services VicRoads

#### **Road Safety Act 1986**

#### **DECLARATION UNDER SECTION 99B(4)**

I, Steve Brown, Executive Director Regional Services VicRoads, under section 99B(4) of the **Road Safety Act 1986**, declare that for the purposes of the event known as the 'Ararat Golden Gateway Festival Procession' the Road Rules do not apply to the activities of the Event, for the times and with respect to the highway or parts of the highway listed in the Schedule.

1. In this notice, unless the context or subject-matter otherwise requires -

'Event' means the Ararat Golden Gateway Festival Procession to be conducted on Sunday 28 October 2012;

**'Road Rules'** means the Road Rules within the meaning of the Road Safety (Road Rules) 2009.

2. This declaration takes effect from the date of commencement of the Event until completion of the Event.

STAGE AND TIME	HIGHWAYS SUBJECT TO THIS DECLARATION AS PART OF THE EVENT
Sunday 28 October 2012 10.00 am to 1.00 pm	Barkly Street (between George Road and Vincent Street) Vincent Street (between Barkly Street and Palmerston Street) Palmerston Street Campbell Street (between Palmerston Street and Blake Street) Blake Street (between Campbell Street and Thomas Street)

Schedule

Dated 10 October 2012

STEVE BROWN Executive Director, Regional Services VicRoads

#### Water Act 1989 SOUTHERN RURAL WATER

By resolution of 15 October 2012 the Gippsland and Southern Rural Water Corporation (trading as Southern Rural Water) approved the making of a by-law titled By-Law No 9 – Recreational Areas. The by-law was made on 16 October 2012.

The purpose of the by-law is to:

- (a) prescribe provisions for
  - (i) the control, management and the use of land, services and facilities; and
  - (ii) the protection of the land, services and facilities; and
  - (iii) the protection of people in the area from injury or nuisance; and
  - (iv) the conservation and preservation of plants, animals, flora, fauna and habitat; and
  - (v) the control of the introduction of any new plants and animals –
  - in a recreational area under the management and control of Southern Rural Water.
- (b) prescribe provisions for the management, protection and use of lands, waterways and works in a recreational area.

The by-law is made using Model By-law: Recreational Areas made by the Minister for Water on 9 October 2012.

A copy of the by-law is available on Southern Rural Water's website, www.srw.com.au. A copy will also be made available for inspection during business hours, on request, free of charge, at SRW offices.

SOUTHERN RURAL WATER 88 Johnson Street Maffra, Victoria 3860

#### Water Act 1989

# SOUTH GIPPSLAND WATER CORPORATION WATER DISTRICT DETERMINATION 2012

I, Peter Walsh, Minister for Water, Minister administering the Water Act 1989, make the following determination:

#### 1. Citation

This determination may be cited as the South Gippsland Water Corporation Water District Determination 2012.

#### 2. Purpose

The purpose of this determination is to establish the extent of South Gippsland Water Corporation's Water District.

#### 3. Authorising Provision

This determination is made in accordance with Section 122GAA of the Water Act 1989.

#### 4. Commencement

This determination comes into effect on the day it is published in the Government Gazette.

#### 5. District Area

Pursuant to Section 122GAA of the **Water Act 1989** the South Gippsland Water Corporation Water District is the land delineated on the plans numbered:

LEGL./12-123, LEGL./12-124, LEGL./12-125, LEGL./12-126, LEGL./12-127, LEGL./12-128, LEGL./12-129, LEGL./12-130, LEGL./12-132, LEGL./12-133, LEGL./12-134, LEGL./12-135, LEGL./12-136, LEGL./12-137, LEGL./12-138, LEGL./12-139, LEGL./12-141, LEGL.12/142, LEGL./12-143

lodged in the Central Plan Office.

Dated 12 October 2012

PETER WALSH Minister for Water

#### Water Act 1989

# SOUTH GIPPSLAND WATER CORPORATION SEWERAGE DISTRICT DETERMINATION 2012

I, Peter Walsh, Minister for Water, Minister administering the Water Act 1989, make the following determination:

#### 1. Citation

This determination may be cited as the South Gippsland Water Corporation Sewerage District Determination 2012.

#### 2. Purpose

The purpose of this determination is to establish the extent of South Gippsland Water Corporation's Sewerage District.

#### 3. Authorising Provision

This determination is made in accordance with Section 122GAA of the Water Act 1989.

#### 4. Commencement

This determination comes into effect on the day it is published in the Government Gazette.

#### 5. District Area

Pursuant to Section 122GAA of the **Water Act 1989** the South Gippsland Water Corporation Sewerage District is the land delineated on the plans numbered:

LEGL./12-108, LEGL.12/109, LEGL./12-110, LEGL./12-111, LEGL./12-112, LEGL./12-113, LEGL./12-114, LEGL./12-115, LEGL./12-116, LEGL./12-117, LEGL./12-118, LEGL./12-119, LEGL./12-120, LEGL./12-121, LEGL./12-122, LEGL./12-131, LEGL./12-140 lodged in the Central Plan Office.

Dated 12 October 2012

PETER WALSH Minister for Water

#### Water Industry Act 1994

#### NOTICE OF STATEMENT OF OBLIGATIONS

I, Peter Walsh MLA, Minister for Water, pursuant to section 4I(6)(a) of the **Water Industry Act 1994**, give notice that I have made and issued a Statement of Obligations for the purpose of imposing obligations in relation to the performance of the functions and the exercise of the powers for the following authorities:

- Barwon Region Water Corporation;
- Central Gippsland Region Water Corporation;
- Central Highlands Region Water Corporation;
- City West Water Corporation;
- Coliban Region Water Corporation;
- East Gippsland Region Water Corporation;
- Gippsland and Southern Rural Water Corporation;
- Goulburn–Murray Rural Water Corporation;
- Goulburn Valley Region Water Corporation;
- Grampians Wimmera Mallee Water Corporation;
- Lower Murray Urban and Rural Water Corporation;
- Melbourne Water Corporation;
- North East Region Water Corporation;
- South East Water Corporation;
- South Gippsland Region Water Corporation;
- Wannon Region Water Corporation;
- Western Region Water Corporation;
- Westernport Region Water Corporation;
- Yarra Valley Water Corporation.

This Statement of Obligations revokes and replaces all previous Statements of Obligations made and issued to a water authority under sections 4I and 8 of the **Water Industry Act 1994** with the exception of the Statements of Obligations regarding roles and responsibilities in managing the augmented Melbourne water supply system issued by the Minister for Water on 1 July 2009 as amended.

Copies of the Statement of Obligations are available on the Department of Sustainability and Environment website – http://www.dse.vic.gov.au. Copies of the Statement of Obligations are also available for inspection at water corporation offices during office hours.

Dated 16 September 2012

PETER WALSH MLA Minister for Water

#### ORDERS IN COUNCIL

#### **Corrections Act 1986**

#### REVOCATION AND APPOINTMENT OF COMMUNITY CORRECTIONS CENTRES

Order in Council

The Lieutenant-Governor, as the Governor's Deputy, with the advice of the Executive Council, under section 86(1) of the **Corrections Act 1986**, by Order, revokes all prior appointments of community corrections centres made under the **Corrections Act 1986**, and appoints the premises at the addresses below to be community corrections centres under that Act.

This Order comes into effect from the date on which it is made.

Community Corrections Centres
Court House Building, Barkly Street, Ararat
108–110 McLeod Street, Bairnsdale
206 Mair Street, Ballarat
Court House, Bridge Street, Benalla
18–20 St Andrews Avenue, Bendigo
38–40 Prospect Street, <b>Box Hill</b>
703 Station Street, <b>Box Hill</b>
25–27 Dimboola Road, Broadmeadows
Ground Floor, 444 Swanston Street, Carlton
Court House, Lyttleton Street, Castlemaine
16 Pine Street, Cobram
Magistrates' Court, Queen Street, Colac
Neighbourhood Justice Centre, 241 Wellington Street, Collingwood
Ground Floor and Mezzanine level, 46–50 Walker Street, Dandenong
153 Foster Street, Dandenong
Demountable premises located adjacent to the Court House, Codrington Street, Dromana
Court House, Heygarth Street, Echuca
Ground Floor, 431 Nepean Highway, Frankston
Level 5, 30A Little Malop Street, Geelong
4/18 Sherbourne Road, Greensborough
2 Roberts Street, Hamilton
Ground Floor, 81–83 Burgundy Street, Heidelberg
1140 Nepean Highway, Highett
Level 2, 21 McLachlan Street, Horsham
Court House, Victoria Street, Kerang
Court House, Bridge Street, Korumburra
Court House, Hutton Street, Kyneton
1/18 Clarke Street, Lilydale

Court House, Highett Street, Mansfield
51–61 Clarendon Street, Maryborough
83–85 Unitt Street, Melton
59 Madden Avenue, Mildura
25 Ann Street, Morwell
Court House, Wosley Street, Orbost
79 Oke Street, <b>Ouyen</b>
Community Health Centre, Otway Street, Portland
Ground Floor, 909 High Street, Reservoir
Level 1, 2 Bond Street, Ringwood
Court House, George Street, Robinvale
374–378 Raymond Street, Sale
32 Wallis Street, Seymour
307–331 Wyndham Street, Shepparton
Court House, Napier Street, St Arnaud
Court House, Patrick Street, Stawell
10 Foundry Road, Sunshine
1–3 McCallum Street, Swan Hill
90 Ovens Street, Wangaratta
First Floor, 70 Smith Street, Warragul
218 Koroit Street, Warrnambool
Suite 12, Level 2, 75–79 Watton Street, Werribee
5 Elgin Boulevard, Wodonga
Court House, Watt Street, Wonthaggi

Dated 16 October 2012 Responsible Minister: ANDREW McINTOSH MP Minister for Corrections

#### Gas Industry Act 2001

#### GAS LICENCE EXEMPTION – CLEAN ENERGY DISTRIBUITON PTY LTD

Order in Council

The Lieutenant-Governor, as the Governor's Deputy, with the advice of the Executive Council under section 24(1)(a) of the **Gas Industry Act 2001** ('the Act'), makes the following Order:

- 1. Clean Energy Distribution Pty Ltd (ACN 149 984 556) is exempt from the requirement to obtain a licence to sell gas by retail, either as a principal or agent under the Act. This Order is limited to the sale of liquefied natural gas ('LNG') and is subject to the following conditions that Clean Energy Distribution Pty Ltd:
  - (a) does not introduce or offer LNG for injection into the declared transmission system for natural gas in Victoria;
  - (b) delivers LNG to its customers by road tanker;
  - (c) will not prevent any other person from entering into commercial arrangements to purchase or sell LNG; and
  - (d) must provide (whether or not through an agent) to the Minister, the Essential Services Commission or the Australian Energy Regulator any information the Minister, the Essential Services Commission or the Australian Energy Regulator may require for the reasonable administration of this Order.

2. This Order comes into effect on the day after it is published in the Government Gazette.

Dated 16 October 2012 Responsible Minister: HON. MICHAEL O'BRIEN MP Minister for Energy and Resources

> MATTHEW McBEATH Clerk of the Executive Council

#### Gas Industry Act 2001

#### GAS LICENCE EXEMPTION – ELGAS LIMITED

#### Order in Council

The Lieutenant-Governor, as the Governor's Deputy, with the advice of the Executive Council under section 24(1)(a) of the **Gas Industry Act 2001** ('the Act'), makes the following Order:

- 1. Elgas Limited (ACN 002 749 260) is exempt from the requirement to obtain a licence to sell gas by retail, either as a principal or agent under the Act. This Order is limited to the sale of liquefied natural gas ('LNG') and is subject to the following conditions that Elgas Limited:
  - (a) does not introduce or offer LNG for injection into the declared transmission system for natural gas in Victoria;
  - (b) delivers LNG to its customers by road tanker;
  - (c) will not prevent any other person from entering into commercial arrangements to purchase or sell LNG; and
  - (d) must provide (whether or not through an agent) to the Minister, the Essential Services Commission or the Australian Energy Regulator any information the Minister, the Essential Services Commission or the Australian Energy Regulator may require for the reasonable administration of this Order.
- 2. This Order comes into effect on the day after it is published in the Government Gazette.

Dated 16 October 2012 Responsible Minister: HON. MICHAEL O'BRIEN MP Minister for Energy and Resources

#### Port Management Act 1995

REVOCATION AND DECLARATION OF PORT WATERS OF THE PORT OF MELBOURNE AND PORT OF MELBOURNE WATERS

Order in Council

The Lieutenant-Governor as the Governor's Deputy, with the advice of the Executive Council, under section 5(2) of the **Port Management Act 1995**,

- (a) revokes the Order made on 22 October 2008 and published in the Government Gazette on 23 October 2008 declaring certain waters to be the port waters of the port of Melbourne; and
- (b) declares the port waters coloured blue on the plans numbered LEGL./12-105, LEGL./12-106 and LEGL./12-107 lodged in the Central Plan Office of the Department of Sustainability and Environment to be the port waters of the port of Melbourne and the port of Melbourne waters.

This Order comes into effect from the date it is published in the Government Gazette.

Dated 16 October 2012 Responsible Minister: DENIS NAPTHINE Minister for Ports

> MATTHEW McBEATH Clerk of the Executive Council

#### **Parliamentary Precincts Act 2001**

DECLARATION OF LAND AND PREMISES TO BE PART OF PARLIAMENTARY PRECINCTS UNDER SECTION 6(1)

Order in Council

Pursuant to section 6(1) of the **Parliamentary Precincts Act 2001**, the Lieutenant-Governor, as the Governor's Deputy, with the advice of the Executive Council, on the recommendation of the Speaker of the Legislative Assembly and the President of the Legislative Council, declares that the premises being the whole of floor 1 of the building known as and situated at 157 Spring Street and described in Certificate of Title Volume 4550 Folio 853 to be part of the Parliamentary precincts.

Dated 16 October 2012

Responsible Minister: HON TED BAILLIEU MLA Premier of Victoria

> MATTHEW McBEATH Clerk of the Executive Council

#### **Parliamentary Precincts Act 2001**

REVOCATION OF ORDER DECLARING LAND AND PREMISES TO BE PART OF PARLIAMENTARY PRECINCTS UNDER SECTION 7(1)

Order in Council

Pursuant to section 7(1) of the **Parliamentary Precincts Act 2001**, the Lieutenant-Governor, as the Governor's Deputy, with the advice of the Executive Council, on the recommendation of the Speaker of the Legislative Assembly and the President of the Legislative Council, revokes the order made by the Governor in Council on 10 March 2009 under section 6(1) of the Act declaring floor 4, 157 Spring Street to be part of the Parliamentary precincts.

Dated 16 October 2012

Responsible Minister:

HON TED BAILLIEU MLA Premier of Victoria

#### Water Industry Act 1994

#### WATER INDUSTRY REGULATORY ORDER 2012

The Lieutenant-Governor, as the Governor's Deputy, with the advice of the Executive Council under section 4D(1) of the Water Industry Act 1994 makes the following Order:

#### GENERAL

#### 1. Title

This Order is called the Water Industry Regulatory Order 2012.

#### 2. Commencement and revocation

- (a) This **Order** comes into operation on the date on which it is published in the Government Gazette and remains in force until it is revoked.
- (b) The Water Industry Regulatory Order 2003 as amended on 1 July 2005, 25 October 2005 and 12 June 2008 is revoked.

#### 2A. Transitional

Notwithstanding clause 2(b), the provisions of the Water Industry Regulatory Order 2003 as amended continue in effect in respect of any determination made by the **Commission** under clause 8 of that Order prior to the commencement date of this **Order**, until the expiry of the period to which that determination applies.

#### 3. Authorising Provision

This **Order** is made under section 4D(1) of the Act.

#### 4. Purpose

The purpose of this **Order** is to provide a framework for economic regulation by the **Commission** for services provided by the **regulated water industry** by:

- (a) specifying which goods and services are to be prescribed goods and services in respect of which the **Commission** has the power to regulate prices;
- (b) declaring which goods and services are to be declared goods and services in respect of which the **Commission** has the power to regulate standards and conditions of service and supply;
- (c) specifying the approach to be adopted by the **Commission** in regulating the price of prescribed goods and services;
- (d) specifying particular matters to which the **Commission** must have regard in exercising its powers and functions under this **Order**;
- (e) conferring on the **Commission** certain functions in relation to monitoring, performance reporting and auditing; and
- (f) conferring on the **Commission** certain functions in relation to dispute resolution.

#### 5. Definitions

In this **Order**, unless the contrary intention appears, the words and phrases appearing in bold type have the following meanings:

#### Act means the Water Industry Act 1994;

*bulk recycled water service* means a service provided by **Melbourne Water** in connection with the provision of a supply of recycled water;

*bulk sewerage service* means a service provided by **Melbourne Water** in connection with the conveyance, treatment and disposal of wastewater for a **regulated entity**;

Code means a code under section 4F of the Act;

*Commission* means the Essential Services Commission established under the ESC Act;

*connection service* means the connection of a serviced property to a water supply system or sewerage system;

declared services means services described in clause 6 of this Order;

desalination plant means the Victorian desalination plant located near Wonthaggi;

developer charges means:

- (a) contributions to the costs of works imposed under Division 6 of Part 13 of the Water Act 1989;
- (b) contributions to the cost of works imposed under section 196 and 197 of the Water Act 1989;

*diversion service* means a service provided by a **regulated entity** in connection with the management, extraction or use of groundwater or surface water;

ESC Act means the Essential Services Commission Act 2001;

financial year means a year ending 30 June;

*irrigation drainage services* means a service provided by a **Rural Water Authority** in connection with the removal and disposal of run-off from irrigation;

*Melbourne Water* means Melbourne Water Corporation within the meaning of the Water Act 1989;

*metropolitan waterways and drainage service* means a service provided by **Melbourne Water** in connection with the performance of its functions under Part 10 of the **Water Act 1989;** 

metropolitan water corporation means:

- (a) City West Water Corporation;
- (b) South East Water Corporation; or
- (c) Yarra Valley Water Corporation;

Minister means the Minister administering the Act;

Order means this Water Industry Regulatory Order 2012;

prescribed services means the services described in clause 6 of this Order;

Procedural Requirements means the procedures referred to in clause 13 of this Order;

Regional Urban Water Authority has the meaning given in section 4A of the Act;

regulated entity has the meaning given in section 4A of the Act;

*regulatory period* means a period over which a decision of the **Commission** under clause 8 of this **Order** is to apply;

Regulatory Principles means the principles set out in clause 14 of this Order;

regulated water industry has the meaning given in section 4A of the Act;

*retail recycled water service* means a service provided by a **regulated entity** in connection with the provision of a supply of recycled water;

*retail sewerage service* means a service provided by a **metropolitan water corporation** or by a **Regional Urban Water Authority** in connection with the removal, treatment and disposal of sewage and **trade waste**;

*retail water service* means a service provided by a **regulated entity** in connection with the provision of a supply of water to a person other than a **regulated entity**;

Rural Water Authority has the meaning given in section 4A of the Act;

*Statement of Obligations* means a Statement of Obligations issued by the **Minister** under section 4I(2) or section 8(1) of the **Act**;

*storage operator and bulk water service* means a service provided by a **regulated entity** in connection with the provision of a supply of water to a **regulated entity**;

*trade waste* means any waterborne waste (other than sewage) which is suitable, according to the criteria of a **regulated entity**, for discharge into the **regulated entity's** sewerage system;

*Water Plan* means a water plan that is required to be delivered to the **Commission** by a **regulated entity** under a **Statement of Obligations**.

#### COVERAGE

#### 6. Prescribed Services and Declared Services

- (a) The following services supplied by or within the **regulated water industry** are specified as **declared services** in respect of which the **Commission** has the power to regulate standards and conditions of service and supply:
  - (i) retail water services;
  - (ii) retail recycled water services;
  - (iii) retail sewerage services;
  - (iv) storage operator and bulk water services;
  - (v) bulk sewerage services;
  - (vi) **bulk recycled water services**;
  - (vii) metropolitan waterways and drainage services;
  - (viii) irrigation drainage services;
  - (ix) connection services;
  - (x) services to which **developer charges** apply; and
  - (xi) diversion services.
- (b) The following services supplied by or within the **regulated water industry** are specified as **prescribed services** in respect of which the **Commission** has the power to regulate prices:
  - (i) retail water services;
  - (ii) retail recycled water services;
  - (iii) retail sewerage services;
  - (iv) storage operator and bulk water services;
  - (v) bulk sewerage services;
  - (vi) **bulk recycled water services**;
  - (vii) metropolitan waterways and drainage services;
  - (viii) irrigation drainage services;
  - (ix) connection services;
  - (x) services to which **developer charges** apply; and
  - (xi) diversion services.
- (c) Nothing in this **Order** is to be taken as precluding services that come within one of the categories of service identified in paragraphs (a) and (b) being regulated, whether as to price or standards and conditions of service and supply, in a different manner from any other service that comes within that same category or other services that come within a different category.

#### **REGULATORY PERIOD**

#### 7. Regulatory Period

The **Commission** must set the term of each **regulatory period** that commences on or after the commencement date of this **Order**.

#### **REGULATORY APPROACH**

#### 8. Decision in relation to prices

Before the commencement of a regulatory period, the Commission must:

- (a) approve all of the prices which a **regulated entity** may charge for **prescribed services**, or the manner in which such prices are to be calculated or otherwise determined, as set out in the **regulated entity's Water Plan**, until the commencement of the next **regulatory period**; or
- (b) specify the prices which a **regulated entity** may charge for **prescribed services**, or the manner in which such prices are to be calculated or otherwise determined, until the commencement of the next **regulatory period**.

For the avoidance of doubt, a decision of the **Commission** under paragraph (a) or (b) is a determination for the purposes of the **ESC Act**.

#### 9. Approval of prices

The **Commission** must give the approval referred to in clause 8(a) if it is satisfied that the prices which the **regulated entity** may charge for **prescribed services** or the manner in which they are to be calculated or otherwise determined (as set out in the **Water Plan**):

- (a) were developed in accordance with the **Procedural Requirements**; and
- (b) comply with the relevant **Regulatory Principles**.

#### 10. Specifying prices

The **Commission** may only specify prices, or the manner in which such prices are to be calculated or otherwise determined, under clause 8(b) if a **regulated entity**:

- (a) fails to deliver to the **Commission** a **Water Plan** within the time specified for such delivery in the **Statement of Obligations** that has been issued to that **regulated entity**; or
- (b) after considering the **Water Plan** and any variations to it made after the issue of the **Commission's** draft decision in relation to the **Water Plan**, the **Commission** is not satisfied that the prices which the **regulated entity** may charge for **prescribed services** or the manner in which they are to be calculated or otherwise determined:
  - (i) were developed in accordance with the **Procedural Requirements**; and
  - (ii) comply with the relevant **Regulatory Principles**.

#### 11. Draft decision

Before making a decision under clause 8, the **Commission** must issue a draft decision which either:

- (a) proposes to give the approval referred to in clause 8(a); or
- (b) proposes to refuse to give the approval referred to in clause 8(a) and specifies the reasons for the **Commission's** proposed refusal (which may include suggested amendments to, or action to be taken in respect of, the **Water Plan** that, if adopted or taken, may result in the **Commission** giving that approval) and the date by which a **regulated entity** must resubmit a revised **Water Plan** or undertake such action as to ensure compliance.

#### 12. Information

In order to be satisfied that prices or the manner in which such prices are to be calculated or otherwise determined:

- (a) were developed in accordance with the **Procedural Requirements**; and
- (b) comply with the relevant **Regulatory Principles**,

the Commission may require the regulated entity to provide additional information in support of its Water Plan.

#### 12AA. Variation of prices during a regulatory period

- (a) During a **regulatory period** the **Commission** may, on the application of the **regulated entity** or on its own initiative, vary its determination as to the prices which a **regulated entity** may charge for **prescribed services** or the manner of calculating or otherwise determining such prices.
- (b) The **Commission** may only make a variation under paragraph (a) if it is satisfied that the relevant prices, or manner of calculating or otherwise determining such prices, as varied:
  - (i) were developed in accordance with any relevant **Procedural Requirements**; and
  - (ii) comply with the relevant **Regulatory Principles.**
- (c) For the avoidance of doubt, a decision of the **Commission** under paragraph (a) is a determination for the purposes of the **ESC Act**.
- (d) When making a determination under clause 8, the **Commission** must specify the basis on which the **Commission** will consider and decide on a proposed variation under paragraph (a).

#### PROCEDURAL REQUIREMENTS AND REGULATORY PRINCIPLES

#### 13. Procedural Requirements

In order to be satisfied that prices, or the manner in which prices are to be calculated or otherwise determined, have been developed in accordance with the **Procedural Requirements** required by this **Order**, the **Commission** must be satisfied that the **regulated entity** has observed the procedural requirements as set out in the **Statement of Obligations**.

#### 14. Regulatory Principles

- (1) In order to be satisfied that prices, or the manner in which such prices are to be calculated or otherwise determined, comply with the **Regulatory Principles**, as required by this **Order**, the **Commission** must:
  - (a) be satisfied that the prices contained in the Water Plan which the regulated entity proposes it be permitted to charge for prescribed services over the term of the Water Plan, or the manner in which the Water Plan proposes that such prices are to be calculated or otherwise determined, are such as to:
    - (i) provide for a sustainable revenue stream to the **regulated entity** that nonetheless does not reflect monopoly rents or inefficient expenditure by the **regulated entity**;
    - (ii) allow the **regulated entity** to recover its operational, maintenance and administrative costs;
    - (iii) allow the **regulated entity** to recover its expenditure on renewing and rehabilitating existing assets;
    - (iv) allow the **regulated entity** to recover:
      - (A) a rate of return on assets as at 1 July 2004 that are valued in a manner determined by, or at an amount otherwise specified by, the **Minister** at any time before 1 July 2004;
      - (B) a rate of return on investments made after 1 July 2004 to augment existing assets or construct new assets;
      - (C) in the case of Gippsland and Southern Rural Water Corporation only, all costs associated with existing debt incurred to finance expenditure prior to 1 July 2006 in a manner determined by the **Minister** at any time before 1 July 2006;

- (D) investment in an asset or asset class as at 1 July 2004 using the value calculated in the manner determined by, or the amount otherwise specified by, the **Minister** for that asset or asset class at any time before 1 July 2004; and
- (E) investment in an asset or asset class made after 1 July 2004 to augment existing assets or construct new assets;
- (v) provide appropriate incentives and signals to customers or potential customers about:
  - (A) the sustainable use of Victoria's water resources by reference to the costs of providing **prescribed services** to customers (either collectively or to an individual customer or class of customers), including costs associated with balancing supply and demand; and
  - (B) the costs associated with servicing a new development in a particular location;
- (vi) provide the **regulated entity** with incentives to pursue efficiency improvements and to promote the sustainable use of Victoria's water resources;
- (vii) enable customers or potential customers of the regulated entity to readily understand the prices charged by the regulated entity for prescribed services, or the manner in which such prices are to be calculated or otherwise determined;
- (viii) provide for an appropriate adjustment mechanism to minimise the extent of any under or over recovery of revenue for the costs associated with the **desalination plant** during a **regulatory period**; and
- (ix) where appropriate, facilitate choice and innovation in the **prescribed services** and associated prices offered to customers;
- (b) be satisfied that the expenditure forecasts contained in the **Water Plan** reflect the efficient delivery of the proposed outcomes contained in the **Water Plan** and take into account a planning horizon that extends beyond the term of the **Water Plan**; and
- (c) take into account the interests of customers of the **regulated entity**, including low income and vulnerable customers.
- (2) When required to determine whether any matter is appropriate for the purposes of clause 14(1), the **Commission** must have regard to its objectives under the **Act** and the **ESC Act**.

#### **REGULATION OF SERVICE QUALITY**

#### 15. Specifying standards and conditions

The **Commission** may specify standards and conditions of services and supply with which a **regulated entity** is obliged to comply in connection with the provision by it of **declared services**:

- (a) by approving standards and conditions of services and supply which a **regulated** entity has included in its Water Plan; or
- (b) by specifying standards and conditions of services and supply in a **Code** issued under section 4F of the **Act**; or
- (c) by any combination of the means specified in (a) and (b).

#### MONITORING, PERFORMANCE REPORTING AND AUDITING

#### 16. Performance monitoring and reporting

The **Commission** has the function of monitoring and reporting publicly on the performance of the **regulated water industry**.

#### 17. Auditing

The Commission has the function of carrying out audits in relation to:

- (a) the compliance of regulated entities with the standards and conditions of service and supply specified by the Commission in any Code or set out in their Water Plans, and the systems and processes established by the regulated entity to ensure such compliance;
- (b) the reliability and quality of information reported by **regulated entities** to the **Commission** and the conformity of that information with any specification issued by the **Commission**; and
- (c) the compliance of **regulated entities** with obligations imposed in any **Statement of Obligations** issued to them in respect of the management of their assets.

In the case of any such audits:

- (d) the **Commission** may decide the scope and frequency of such audits provided that such audits are not conducted more frequently than once in any given **financial year**;
- (e) conducted pursuant to paragraph (c), the **Commission** must include in that audit any matters requested by the **Minister**.

#### 18. Audits requested by the Minister

The **Minister** may request the **Commission** to audit the compliance of a **regulated entity** with such obligations as are identified by the **Minister** and as are imposed on that **regulated entity** under the **Statement of Obligations** that is issued to it, in which case the **Commission** must carry out that audit in accordance with that request.

#### 19. Publication of audit results

The **Commission** must publicly report on the results of all audits conducted under clause 17 or 18.

#### **DISPUTE RESOLUTION**

#### 20. Disputes between regulated entities

In such circumstances as the **Commission** determines, the **Commission** has the function of facilitating the resolution of a dispute in relation to prices and standards and conditions of service and supply provided for in an agreement between two **regulated entities** to supply **storage operator and bulk water services**, **bulk sewerage services** and **bulk recycled water services**. The **Commission** may carry out this function by requiring mediation or arbitration or by any other means the **Commission** considers appropriate.

Dated 16 October 2012

Responsible Minister: PETER WALSH MLA Minister for Water

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