

# MODEL CONTRACT FOR OWNER DRIVERS SCHEDULE

## Instructions

- The Model Contract includes this Schedule. The Schedule requires you to complete the details on a number of matters, including rates.
- In some places, the Schedule allows you to select from different options by ticking the box, or allows for you to include additional or replacement clauses.
- You can download this Schedule from [www.business.vic.gov.au/ownerdrivershirers](http://www.business.vic.gov.au/ownerdrivershirers) as a word document and type in your changes. If you need more space to write out extra requirements, you can attach a piece of paper to this contract and sign and date it.
- All terms used in the Schedule have the same meaning as in the Contract.

## 1 Parties to the contract

### 1.1 Contractor's details

Name of Contractor

(if you trade using a company or partnership structure, use the formal registered trading name of your business)

ACN (for companies)

### Main contact person

If you trade as a sole trader, provide your own personal contact details

If you trade as a company or partnership, provide the details of the person who the hirer should contact

Name of contact person

Telephone number (business)

Telephone number (mobile)

Email address

**Address for the service of notices** (see clause 36 [Service of notices] of the contract)

Company name

Street

Suburb

State

Postcode

Notices may be given by email to the following email address

### 1.2 Hirer's details

(if you are using a company or partnership, use the registered trading name of your business)

Name

ACN (for companies)

### Main contact person

If you trade as a sole trader, provide your own personal contact details

If you trade as a company or partnership, provide the details of the person who the hirer should contact

### Contact person at the agent

(Provide the details of the person who the hirer will mainly be dealing with)

Name of contact person at hirer

Telephone number (business)

Telephone number (mobile)

Email address

# MODEL CONTRACT FOR OWNER DRIVERS SCHEDULE

**Address for the service of notices** (see clause 36 [Service of notices] of the contract)

Company name

Street

Suburb

State

Postcode

Notices may be given by email to the following email address

## 2 Period of contract

(See clause 3 [period of contract] of the contract)

This contract will commence on the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_ and will

### Option 1

Continue in operation until terminated in accordance with the terms of the contract; or

### Option 2

Expire on the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_

## 3 Services

(See clause 6 [the services] of the contract)

### 3.1 General tasks

The Contractor will carry general freight as the Hirer from time to time specifies, at such times and between such places as the Hirer may reasonably and lawfully require.

Specify any additional requirements

Specify any additional or special equipment

### 3.2 Good to be carried

The goods to be carried will be general freight as the Hirer directs; or

Specify if unusual or dangerous goods

### 3.3 Other services

The Contractor is required to:

Note: specify any additional services not covered by contract- eg use of crane, loading or unloading tasks

### 3.4 Hours of work (see clause 6[the services] of the contract)

#### Option 1

The Contractor must make itself available to provide the services to the Hirer between the hours of

\_\_\_\_\_ AM and \_\_\_\_\_ PM during Monday to Friday of each week; or

The following other days:(specify)

#### Option 2

Other hours arrangements (specify)

# MODEL CONTRACT FOR OWNER DRIVERS SCHEDULE

## 3.5 Codes and licences (See clause 7.3 [codes and licences] of the contract)

The Contractor will comply with the following regulations and Codes and warrants that the relevant officers, employees and agents of the Contractor hold the following licences:

Notes: List any special licences or safety codes that apply to the services

## 3.6 Meal and rest breaks (See clause 7.4 [contractor to manage fatigue and take breaks] of the contract)

### Option 1

The Contractor will take an unpaid break of up to half an hour for each five hour period worked, at a time agreed with the Hirer; or

### Option 2

Specify other arrangements

## 3.7 Whether contract is for exclusive services (See clause 6 [the services] of the contract)

The Contractor will not during the period of this contract perform transport services using the vehicle specified in the Schedule for any person other than the Hirer.

Notes: Select only if applicable

## 4 Vehicle and equipment details

### 4.1 Vehicle (See clause 6 [the services] and 7.1 [condition of vehicle] of the contract)

The Contractor will provide the following vehicle for the Contractor's use:

#### Option 1

A vehicle fit for the purpose of the services; or

#### Option 2

The vehicle with registration number \_\_\_\_\_ being a \_\_\_\_\_ (describe vehicle type)

#### Option 3

A vehicle meeting the following specifications:

Type \_\_\_\_\_

Make \_\_\_\_\_ Model \_\_\_\_\_

Year of manufacture \_\_\_\_\_

Other specifications/capacity \_\_\_\_\_

Lawfully able to travel on the following routes: Note specify any unusual route requirements eg height clearances

### 4.2 Specialised equipment (See clause 6 [the services] of the contract)

The Contractor will provide the following specialised equipment:

Note: specify additional equipment to be provided eg refrigeration unit, hoist, tailgate, curtains, dog & chains

# MODEL CONTRACT FOR OWNER DRIVERS SCHEDULE

## 4.3 Hirer's communications equipment and livery

(See clauses 10.1 [communications equipment] and 102. [livery] of the contract)

The Hirer may **not** install communications equipment; or

The Hirer may **not** install its livery

Notes: Select only if applicable

Note: specify additional equipment to be provided eg refrigeration unit, hoist, tailgate, curtains, dog & chains

The Hirer may install the following communications and monitoring devices: (specify)

to be used for the following purposes:

## 5 Approved drivers

(See clause 11 [approved drivers] of the contract)

The following persons are approved drivers:

Name and driver's licence number

Name and driver's licence number

Name and driver's licence number

## 6 Periods of absence

### 6.1 Absence (See clause 8.1 [absence] of the contract)

The Contractor will provide the services on the following basis:

#### Option 1: 52 weeks/year

The Contractor is required to provide the Services for 52 weeks of each year.

Note: the Contractor is entitled to use an approved driver to provide the services

#### Option 2: compulsory annual close down

The Hirer does not require the Contractor to provide services for the period

from            to            of each year. This period of time will be:

Unpaid or Paid at the minimum rate specified in clause 8.1 of this Schedule.

#### Option 3: Contractor may elect up to 4 weeks absence per year

- a) The Contractor may elect to not be available to provide the services for up to four [4] weeks in each calendar year, for each 12 months of having performed services under this contract.
- b) The timing of taking any such absence will be by agreement wherever possible. However, if agreement cannot be reached:
  - i. The Contractor may give the Hirer four weeks' notice of his/her or its intention to take absence. The Hirer may refuse the Contractor's request if the absence would cause significant disruption to the Hirer's business.
  - ii. If required by the Hirer's business circumstances, the Hirer may direct the Contractor to take absence. The Hirer will give the Contractor as much notice of such direction as reasonably practicable.

# MODEL CONTRACT FOR OWNER DRIVERS SCHEDULE

## 6.2 Public holidays (See clause 8.2 [public holidays] of the contract)

The Hirer may require the Contractor to perform services on the following public holidays:

## 7 Insurance

### 7.1 Goods In Transit Insurance (See clauses 9 [contractor's insurance] and 16 [hirer's insurance] of the contract)

#### Option 1

The Hirer will take out goods in transit insurance in accordance with clause 16.1 of the contract; or

#### Option 2

The Contractor will take out goods in transit insurance in accordance with clause 9.3 [goods in transit insurance] of the contract.

#### Option 3

Other:

### 7.2 Variations to insurance arrangements (see clause 9.4 [additional insurance] of the contract)

The following variations or additions to the requirements of clause 9 [contractor's insurance] apply:

#### Dangerous goods

Contractors carrying dangerous goods will have a motor vehicle insurance policy specifically endorsed to cover third-party property damage resulting from the carriage of dangerous goods, for a minimum of \$1,000,000 for packaged goods and a minimum of \$5,000,000 for bulk goods. This cover will include cover in respect of any loss or damage, and costs of clean up or removal incurred by or on behalf of a public authority as a result of a fire, explosion, leakage or spillage of dangerous goods in, on or from the vehicle. The insurance policy required by this Clause is in addition to any other policy required by law to be held. (Note: Select only if applicable)

## 8 Payments

### 8.1 Minimum payment (see clause 21 [minimum payment] of the contract)

The minimum payment or minimum number of hours of work for the purpose of clause 21 of the contract are:

#### Option 1: Hours

A minimum of \_\_\_\_\_ hours of work per week, calculated as an average over a \_\_\_\_\_ period

#### Option 2: Income

A minimum payment of \$ \_\_\_\_\_ per  
(specify period eg week, month), calculated as an average over a \_\_\_\_\_ day period.

### 8.2 Rates (see clause 22 [payment to contractor] of the contract)

Remuneration under this contract will be calculated and paid as follows:

### 8.3 Variable fuel payments (see clause 22 [payment to contractor] of the contract)

#### Option 1

The Hirer will provide fuel to the Contractor for the performance of the Services; or

# MODEL CONTRACT FOR OWNER DRIVERS SCHEDULE

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## Option 2

The Hirer will reimburse the Contractor for the cost of fuel used in the performance of the services upon presentation of properly completed documents; or

## Option 3

The rates specified in clause 8.2 above includes all remuneration, including payment for fuel; or

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## Option 4

A variable fuel payment (fuel levy) will be paid as set out below:

Fuel levy option 1:

- a) The Hirer will adjust the Contractor's payments each calendar month based upon movements in the price of fuel in accordance with the following formula. In the formula:
  - **Base Price** means the Monthly Price for the preceding calendar month.
  - **Monthly Price** means the Shell Terminal Gate Price Automotive Diesel for Melbourne L15 on the first day of each calendar month.
  - **Fuel Component** means the amount of the contractor's total remuneration specified in clause 8.4 of this Schedule as component relating to the cost of fuel.
  - **Fuel Variation Percentage** is the percentage difference in the price of fuel calculated in accordance with paragraph c] below.
- b) On the first day of each calendar month, the Hirer will identify the Base Price and the Monthly Price for that month.
- c) The Hirer will calculate the difference between the Monthly Price and the Base Price as a percentage: **Base Price/ Monthly Price x 100 = Fuel Variation Percentage**. This percentage may be a positive or negative percentage depending on whether the price of fuel has risen or fallen during the month.
- d) The Fuel Component will be increased [or decreased] by that fuel variation percentage amount with effect from the first day of that calendar month.

Example:

- John is paid \$65 per driving hour.
- Under the model, fixed business costs are 15% of his total remuneration, labour is 65%, fuel is 10% and other variable costs are 10%.
- This means John's Fuel Component is 10% of his total remuneration.
- On 1 May, the Shell terminal gate price is \$1.25 per litre [the Base Price]
- On 1 June, the price is \$1.30 per litre [the Monthly Price]
- The percentage movement in the fuel price is:  
 $\text{Monthly Price} / \text{Base Price} \times 100 = \text{Fuel Variation Percentage}$
- $130 \text{ cents} / 125 \text{ cents} \times 100 = 0.4 \%$
- This means the Fuel Component of John's remuneration is to be increased by 4 percent, meaning an increase in John's total remuneration of 0.4 per cent. The new rate effective from 1 June is \$65.26 per driving hour.
- The Fuel Price Adjustment will be recorded as a separate item on the remittance advice provided by the Hirer in payment of the Contractor's invoices.

- e) The Fuel Price Adjustment will be recorded as a separate item on the remittance advice provided by the Hirer in payment of the Contractor's invoices.
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## Fuel levy option 2:

(Note: specify any alternative fuel levy arrangement here)

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## 8.4 Costs and expenses paid or reimbursed (see clause 21 [minimum payment] of the contract)

The Hirer will reimburse the contractor for the following expenses upon presentation of properly completed documents:

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# MODEL CONTRACT FOR OWNER DRIVERS SCHEDULE

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Road tolls

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Dangerous goods signs

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Other

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## **8.5 Method and timing of payment** (see clause 24 [method of timing of payments] of the contract)

Payment will be made within \_\_\_\_\_ (specify) days of the presentation of a properly completed invoice.

Additional payment methods permitted under the contract are (specify) \_\_\_\_\_

## **8.6 Rate review** (See clause 26 [annual review] of the contract)

The first review will take place in \_\_\_\_\_ (specify month) of \_\_\_\_\_ (specify year),

with annual reviews to occur each \_\_\_\_\_ (specify month) thereafter.

## **8.7 Induction processes** (See clause 7.6 [induction processes] of the contract)

### **Option 1**

The rate above includes compensation for participation in customer site inductions and the Contractor will not be paid any additional remuneration for time spent in such inductions;

### **Option 2**

The Hirer will pay the Contractor at the rate of \_\_\_\_\_ per hour for any time spent participating in customer site inductions, where that induction exceeds \_\_\_\_\_ minutes/ hours (specify).

## **8.8 Deductions** (See clause 14 [payment to contractor] of the contract)

The Hirer may make deductions from payments made to the Contractor for the following items, and will account for any deductions in a statement provided to the Contractor setting out the calculation of each payment and deduction.)

### **Goods in Transit Insurance**

(specify in accordance with clause 16.1(b) [goods in transit insurance] of the contract)

### **Other deductions**

(specify in accordance with clause 24(c) [method and timing of payments] of the contract)

## **9 Waiting time**

(See clause 22 [payments to contractor] of the contract)

**Option 1:** The rates set out above in clause 8.2 include a component by way of compensation to the Contractor for time spent in waiting to load or unload the vehicle (waiting time); or

**Option 2:** The Hirer will pay the Contractor additional payments at the rate set out below for periods of time spent by a Contractor in any activities or situations set out below, provided that:

- the Contractor is not reasonably responsible for the delay, and

# MODEL CONTRACT FOR OWNER DRIVERS SCHEDULE

- that such delays are promptly notified by telephone or radio to the Hirer.

(Specify activities and situations in which waiting time will be paid here)

## 10 Variations to standard terms

(See clause 4 [previous contracts replaced] of the contract)

The Parties agree that the following terms will apply to the extent of any inconsistency with the terms of the Contract:

### **Multiple driver operations** (Note: Select only if applicable)

Where the Contractor is required to work with another contractor of the Hirer to carry out a two or more person operation, but which requires only one vehicle then:

- a) If the Contractor's vehicle is being used, the normal rates under this contract apply; or
- b) If the Contractor is not using their own vehicle in providing the two-person operation the rate payable to the Contractor will be:
  - For Contractors paid by time or by load/kilometre: the normal hourly or per kilometre rate, less the amount attributable to the variable costs of vehicle operation;
  - For Contractors who are paid by fixed load: the amount listed in the Schedule as being the rate payable per hour for waiting time.

Prior to the Contractor undertaking such work, the Hirer will provide the Contractor with written notice showing the applicable hourly or per kilometre rate calculated in accordance with this clause.

### **Dangerous goods** Note: Select only if applicable)

The Hirer will be responsible for providing at its expense all signage, emergency guides and training as required under any applicable law or guidance note including the Australian Code for the Transport of Dangerous Goods by Road or Rail

### **Other**

(Specify any other alterations or additions)