

Schedule 20 - Indexes

Document for Release

Execution Version

1. Definitions

CPI means the All Groups Consumer Price Index Weighted Average of Eight Capital Cities (IECC) published quarterly by the Australian Bureau of Statistics or, if section 3 applies, the Index determined in accordance with section 3.

CPI Multiplier Annual (C) at any time means:

- (a) the most recently published March Quarter CPI at that time; divided by
- (b) 105.9, being the CPI for the Quarter ending 30 June 2014.

WPI means the Wage Price Index Australia Total hourly rates of pay excluding bonuses for Australia, private and public, all industries (Series ID A2603609J) published quarterly by the Australian Bureau of Statistics, as long as there is no change in the coverage, periodicity or reference base from those applying at the date of this Agreement or, if section 3 applies, the Index determined in accordance with section 3.

WPI Multiplier Quarterly (C) at any time means:

- (a) the most recently published WPI at the end of the relevant Quarter; divided by
- (b) 118.5, being the WPI for the Quarter ending 30 June 2014.

2. Indexes

In accordance with clause 2.16(a) of this Agreement, all amounts to be Indexed under this Agreement are indexed by multiplying the relevant number by:

- (a) the CPI Multiplier Annual (C), where no index is specified; or
- (b) the WPI Multiplier Quarterly (C), where specified in this Agreement.

3. Changes to Indexes

The following rules apply to all terms identified in section 2 as being referable to an Index published by the Australian Bureau of Statistics:

- (a) **(change in linked Index)**: if there is a change in the coverage of the Index from that applying at the date of this Agreement and the new index is linked to another Index, the defined term is to be referable to the new Index;
- (b) **(change in coverage or periodicity)**: if the Index is published and there is a change in its:
 - (i) coverage and it is not linked to another Index; or
 - (ii) periodicity,

the State must, within 20 Business Days of becoming aware of the change or being notified by Project Co, reasonably determine:

- (iii) whether the Index remains appropriate as a general indicator of the rate of price change for the relevant goods and services; and
- (iv) if it is not, what other Index should be used as a substitute Index for the purpose of the defined term's use in this Agreement,

and seek Project Co's agreement as to such Index;

- (c) **(change in reference base)**: if there is a change in the reference base of the Index from that applying at the date of this Agreement and the Australian Bureau of Statistics:
 - (i) provides a conversion factor, that conversion factor must be applied to calculate revised figures for the purpose of the defined term's use in this Agreement, in terms of the new reference base; or
 - (ii) does not provide a conversion factor, the State must, within 20 Business Days of becoming aware of the change or being notified by Project Co, reasonably calculate a revised Index for the purposes of the defined term's use in this Agreement, and seek Project Co's agreement as to such Index;
- (d) **(Index ceases to be published)**: if the Index ceases to be published and the Australian Bureau of Statistics:
 - (i) publishes another Index which is:
 - A. a replacement of that Index; and
 - B. linked to the Index,the defined term must be re-calculated to the same reference base as the replacement Index; or
 - (ii) does not publish another Index which is linked to or replaces the Index, the State must, within 20 Business Days of becoming aware of the change or being notified by Project Co, calculate or determine a revised Index and seek Project Co's agreement as to such Index;
- (e) **(change in Mandatory Requirements)**: if a Change in Mandatory Requirements causes a material aberration in the Index, the Index must be adjusted to remove the impact of that material aberration in accordance with any such methodology published by a responsible Authority for adoption by business or, in the absence of such publication within six months of the occurrence of the material aberration, as agreed by the parties; and
- (f) **(expert determination)**: where the parties cannot reach agreement in accordance with sections 3(b) to 3(e), within 20 Business Days, the parties will, notwithstanding clause 41.3 of this Agreement, be deemed to have referred the dispute for determination by an expert in accordance with clause 41.3 of this Agreement and the parties must otherwise comply with clauses 41.4 to 41.8 of this Agreement.