

# Schedule 3 Pricing

## 1 Labour Hire Fees

1.1 The Fees payable by an Entity for Labour Hire Services under an Order are as set out in this **Schedule 3 (Pricing)** and the relevant Order.

1.2 The Service Provider warrants in respect of each Labour Hire Worker on each relevant Order Commencement Date:

- (a) that the relevant Agreed Base Salary is the amount the Service Provider has agreed to pay the Labour Hire Worker for the Order Term;
- (b) that within 10 Business Days of the end of each month during the Order Term, it will pay the Labour Hire Worker the Agreed Base Salary for the Hours Worked by the Labour Hire Worker in the relevant month; and
- (c) that the relevant Employment Oncosts is the amount the Service Provider will be required to pay in statutory amounts in respect of the Labour Hire Worker, assuming the Labour Hire Worker works the number of hours per day and number of days per week for the period specified in the Order.

1.3 The Fee for each Labour Hire Worker provided under an Order is determined as follows:

### **Contract Price x Hours Worked**

where

**Agreed Hourly Rate** is the hourly amount agreed in the relevant Order which is calculated as: Agreed Base Salary plus Employment Oncosts (both as determined by reference to the applicable APS equivalent classification of the Labour Hire Worker, as described in the relevant Order, and the Service Category under which the Labour Hire Worker has been engaged).

**Agreed Base Salary** is the hourly amount (before tax, but excluding compulsory superannuation contributions which are dealt with as Employment Oncosts) paid by the Service Provider to the Labour Hire Worker plus casual loading (where a casual loading is required to be paid to the Labour Hire Worker under an industrial award or an enterprise agreement), as specified in the relevant Order.

**Contract Price** is:

- (a) for any Hours Worked as a result of the relevant Labour Hire Worker taking paid family and domestic violence leave in accordance with the *Fair Work Act 2009* (Cth), the Agreed Hourly Rate for that Labour Hire Worker (that is, no Gross Profit Margin is included in the Contract Price for any Hours Worked calculated as a result of this type of leave); and
- (b) otherwise, an hourly amount calculated by the Agreed Hourly Rate plus Gross Profit Margin for the relevant Labour Hire Worker.

**Employment Oncosts** means, subject to clause 1.4 of this **Schedule 3 (Pricing)**, the following statutory employment on-costs:

- (c) the cost of worker's compensation insurance required by Law;
- (d) payroll tax as payable under any applicable State or Territory Law (excluding any penalty charge arising as a result of a failure to pay state payroll tax in accordance with any applicable State or Territory Law);
- (e) compulsory superannuation contributions as payable under any Commonwealth Law (excluding any superannuation guarantee charge or any other similar penalty charge arising as a result of a failure to pay superannuation in accordance with Commonwealth Law); and
- (f) other statutory charges applicable for that Labour Hire Worker required by Law and agreed by the Entity in an Order

that would be payable by the Service Provider in respect of the Labour Hire Worker (assuming the Labour Hire Worker works the number of hours per day and number of days per week for the period specified in the Order) and expressed as an hourly amount.

**Gross Profit Margin** is the Referred Gross Profit Margin or the Non-Referred Gross Profit Margin as applicable for the relevant Labour Hire Worker and expressed as an hourly amount. The Gross Profit Margin does not apply to any Hours Worked as a result of a Labour Hire Worker taking paid family and domestic violence leave in accordance with the *Fair Work Act 2009* (Cth).

**Hours Worked** means:

- (a) the number of hours (or part thereof) worked by the Labour Hire Worker as described in Timesheets submitted to the Entity and accepted by the Entity as compliant with this Head Agreement and the relevant Contract; and
- (b) the number of hours (or part thereof) the Labour Hire Worker takes as paid family and domestic violence leave in accordance with the *Fair Work Act 2009* (Cth), as described in Timesheets submitted to the Entity and accepted by the Entity as compliant with this Head Agreement and the relevant Contract.

**Non-Referred Gross Profit Margin** means the hourly amount specified in Table 1 that applies where a Labour Hire Worker has not been Referred by the Entity to the Service

Provider, determined by reference to the applicable APS equivalent classification of the Labour Hire Worker.

**Referred Gross Profit Margin** means the hourly amount specified in Table 1 that applies where a Labour Hire Worker has been Referred by the Entity to the Service Provider, determined by reference to the applicable APS equivalent classification of the Labour Hire Worker.

**Table 1: Rate Card for Gross Profit Margin**

<b>Rate Card for all Service Categories (exclusive of GST)</b>		
<b>APS equivalent classification</b>	<b>Non-Referred Gross Profit Margin</b>	<b>Referred Gross Profit Margin</b>
<b>Level 1</b>	<b>[\$X] per hour</b>	<b>[\$X] per hour</b>
<b>Level 2</b>	<b>[\$X] per hour</b>	<b>[\$X] per hour</b>
<b>Level 3</b>	<b>[\$X] per hour</b>	<b>[\$X] per hour</b>
<b>Level 4</b>	<b>[\$X] per hour</b>	<b>[\$X] per hour</b>
<b>Level 5</b>	<b>[\$X] per hour</b>	<b>[\$X] per hour</b>
<b>Level 6</b>	<b>[\$X] per hour</b>	<b>[\$X] per hour</b>
<b>Executive Level 1</b>	<b>[\$X] per hour</b>	<b>[\$X] per hour</b>
<b>Executive Level 2</b>	<b>[\$X] per hour</b>	<b>[\$X] per hour</b>
<b>SES</b>	<b>[\$X] per hour</b>	<b>[\$X] per hour</b>

- 1.4 The intention for Employment Oncosts is that the Service Provider is able to claim these costs by the Entity as a “pass-through”. Therefore, the maximum hourly amount for Employment Oncosts must be specified in an Order but,:
- (a) if the actual Employment Oncosts required to be paid by the Service Provider for a Labour Hire Worker are less than the amounts specified for Employment Oncosts in an Order (for example, due to the Labour Hire Worker working less hours than stated in the Order), then the Service Provider must, as soon as practicable, reimburse the Entity for the difference if the Entity has already paid the higher amount; and
  - (b) if the actual Employment Oncosts paid for a Labour Hire Worker are more than the amounts specified for Employment Oncosts in an Order due to the Labour Hire Worker working more hours than stated in the Order by agreement of the Entity, the Entity may agree in writing to pay the higher Employment Oncosts.
- 1.5 If the relevant Labour Hire Worker takes paid family and domestic violence leave in accordance with the *Fair Work Act 2009* (Cth), no Gross Profit Margin is included in the Contract Price for any Hours Worked as a result of this type of leave and the Service Provider must, as soon as practicable, reimburse the Entity for the difference if the Entity

has already paid the Contract Price for those Hours Worked inclusive of the Gross Profit Margin.

## **2 Conversion Fee**

- 2.1 The Fees payable by an Entity where a Labour Hire Worker is Converted to an Entity employee apply and are calculated in accordance with this clause 2.
- 2.2 Subject to clause 2.3, the Service Provider will only be eligible for a Conversion Fee in respect of Conversion of a Labour Hire Worker if:
- (a) at the time when the offer of employment is accepted by the relevant Labour Hire Worker, that Labour Hire Worker has been engaged to fill the relevant position for the Entity under an Order for a period less than 12 months in aggregate; and
  - (b) the relevant Labour Hire Worker is made an offer of employment by the Entity for either the same position which the Labour Hire Worker has filled under the relevant Order immediately prior to accepting the offer or a Similar Role (including where that role is publicly advertised by the Entity).
- 2.3 The Service Provider will not be entitled to the Conversion Fee if:
- (a) the Labour Hire Worker has been engaged for a period of 12 months or more in aggregate by the Entity under an Order prior to accepting the offer of employment from the Entity;
  - (b) the Labour Hire Worker is made an offer of employment by the Entity for a position other than either the position which the Labour Hire Worker has filled under the relevant Order immediately prior to accepting the offer or a Similar Role;
  - (c) the offer of employment to the Labour Hire Worker is made as a result of the Labour Hire Worker applying for any position (other than the position the Labour Hire Worker has filled under the relevant Order or a Similar Role) that is publicly advertised by the Entity; or
  - (d) the Labour Hire Worker was at any time Referred by the Entity to the Service Provider.
- 2.4 The Conversion Fee for the Conversion of a Labour Hire Worker engaged on a full time basis will be calculated in accordance with the following formula:
- ((Applicable Non-Referred Gross Profit Margin x A) x B) x (48 weeks per annum minus Actual Number of Weeks Worked)**

where

**Applicable Non-Referred Gross Profit Margin** is the applicable Gross Profit Margin for a Non-Referred Labour Hire Worker as set out in Table 1 in this **Schedule 3 (Pricing)**.

**A** = for a full time worker means 7.5 hours

**B** = for a full time worker means 4.75 days

**Actual Number of Weeks Worked** = the number of weeks (or part thereof) the relevant Labour Hire Worker has worked in aggregate under an Order with the relevant Entity prior to the Labour Hire Worker accepting the offer of employment. Note that if the Labour Hire Worker has been engaged for a period in aggregate under the Order of 48 weeks or more, the Conversion Fee is not payable in accordance with clause 2.3(d).

- 2.5 The Conversion Fee for the Conversion of a relevant Labour Hire Worker engaged on a part time basis will be 50% of the amount calculated in accordance with the formula in clause 2.4 of this **Schedule 3 (Pricing)**

### 3 Introduction Fee

- 3.1 A once off Introduction Fee described in Table 2 is payable for an Introduction depending on the APS equivalent classification of the employee by the Entity to which the employee has moved.

**Table 2: Introduction Fee**

APS equivalent classification	Introduction Fee (Fixed price) (incl. GST)
Level 1	\${tbc}
Level 2	\${tbc}
Level 3	\${tbc}
Level 4	\${tbc}
Level 5	\${tbc}
Level 6	\${tbc}
Executive Level 1	\${tbc}
Executive Level 2	\${tbc}
SES	\${tbc}

### 4 Placement Fee

- 4.1 A once off Placement Fee described in Table 3 is payable for a Placement depending on the APS equivalent classification of the position with the Entity by which the candidate has been employed.

**Table 3: Placement Fee**

<b>APS equivalent classification</b>	<b>Placement Fee (Fixed price) (incl. GST)</b>
<b>Level 1</b>	\${tbc}
<b>Level 2</b>	\${tbc}
<b>Level 3</b>	\${tbc}
<b>Level 4</b>	\${tbc}
<b>Level 5</b>	\${tbc}
<b>Level 6</b>	\${tbc}
<b>Executive Level 1</b>	\${tbc}
<b>Executive Level 2</b>	\${tbc}
<b>SES</b>	\${tbc}

## **5 Order Value Discounts**

5.1 The following definitions apply to this clause 5:

**Order Value** means the total value of all Orders placed by all Entities with the Service Provider under this Head Agreement excluding the value of any extension to those Order.

**Order Value Discount** means the discount applied to the value of an Order in accordance with this clause 5.

**Order Value Threshold** means the relevant Order Value which attracts a particular Order Value Discount as set out in clause 5.

5.2 The applicable Order Value Discount in clause 5.3 will apply to all new Orders placed under this Head Agreement on and from the date that the Order Value meets the relevant Order Value Threshold.

5.3 Where the Order Value meets the relevant Order Value Threshold in accordance with clause 5.2, the Order Value Discount will apply as a percentage discount to the Referred Gross Profit Margin and the Non-Referral Gross Profit Margin specified in this **Schedule 3 (Pricing)**.

5.4 If the term of an Order is extended by exercise of an available extension option and a new Order Value Discount which did not apply at the time the Order was made applies to the extended term of the Order, the relevant Order Value Threshold will apply to all new Fees charged under that Order in accordance with clause 5.3.

5.5 The following Order Value Discounts apply:

Order Value Discounts	
Order Value Threshold	Discount applied to Referred and Non-Referred Gross Profit Margin
#[Insert]	[Insert]
#[Insert]	[Insert]
#[Insert]	[Insert]
#[Insert]	[Insert]

**6 No liability for candidates' costs or expenses**

6.1 The Service Provider must not charge the Entity for, and the Entity will not be liable to pay, any costs or expenses incurred by a candidate, including where a candidate:

- (a) provides documents or other information to the Service Provider or an Entity, including to verify personal details, educational qualifications or referee details; or
- (b) undergoes an assessment of skills, qualifications, suitability for the position or experience, including attending interviews, or undertaking literacy, numeracy or psychometric assessments.

6.2 For the avoidance of doubt, clause 6.1 above does not prevent the Service Provider from charging for the assessment of a candidate as provided elsewhere in this **Schedule 3 (Pricing)**.