

Schedule 4 – Indexes Schedule

1. Definitions

In this Schedule:

Consumer Price Index or **CPI** means the All Groups Consumer Price Index Weighted Average of Eight Capital Cities (ABS Cat No. 6401.0 Series ID A2325846C) published quarterly by the Australian Bureau of Statistics or, if Section 4 applies, the index determined in accordance with that section.

Quarter End means the last day of each Quarter.

Wage Price Index or **WPI** means the Wage Price Index: Total Hourly Rates of Pay Excluding Bonuses (All Industries, Australia, Public and Private) (ABS Cat No. 6345.0 Series ID A2603609J) published quarterly by the Australian Bureau of Statistics or, if Section 4 applies, the index determined in accordance with that section.

2. CPI Indexed

Unless otherwise expressly provided, a reference to “CPI Indexed” after a monetary amount in this Agreement means that the amount will indexed in accordance with the following formula:

$$A \text{ (CPI Indexed)} = A \times (\text{CPI Q-1} / \text{CPI BASE})$$

where:

A is the monetary amount originally specified;

CPI Q-1 is the CPI for the Quarter End following the date that occurs 6 months before the relevant calculation date; and

CPI BASE is the CPI for the Quarter End ending 31 December 2015.

3. WPI Indexed

Unless otherwise expressly provided, a reference to “WPI Indexed” after a monetary amount in this Agreement means that the amount will indexed in accordance with the following formula:

$$A \text{ (WPI Indexed)} = A \times (\text{WPI Q-1} / \text{WPI BASE}) \times ((1.04/1.0375)^{(n/4)})$$

where:

A is the monetary amount originally specified;

WPI Q-1 is the WPI for the Quarter End following the date that occurs 6 months before the relevant calculation date;

WPI BASE is the WPI for the Quarter End ending 31 December 2015; and

n is the number of calendar quarters between (i) 31 December 2015 and (ii) the Quarter End following the date that occurs 6 months before the relevant calculation date.

4. Changes to indexes

The following rules apply to all terms identified in Section 1 as being referable to an index published by the Australian Bureau of Statistics:

- (a) 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) 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 parties must request the President of the Institute of Actuaries of Australia (or the President's nominee) to 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 that determination is final and binding on the parties;
- (c) 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 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;
- (d) 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 does not provide a conversion factor, the parties must request the President of the Institute of Actuaries of Australia (or the President's nominee) to calculate a revised index for the purposes of the defined term's use in this Agreement, and that calculation is final and binding on the parties;
- (e) if the index ceases to be published and the Australian Bureau of Statistics publishes another index which is:
 - (i) a replacement of that index; and
 - (ii) linked to the index,the defined term must be re-calculated to the same reference base as the replacement index;

- (f) if the index ceases to be published and the Australian Bureau of Statistics does not publish another index which is linked to the index, the parties must request the President of the Institute of Actuaries of Australia (or the President's nominee) to calculate a revised index for the purposes of the defined term's use in this Agreement, and that calculation is final and binding on the parties;
- (g) if the index ceases to be published and the Australian Bureau of Statistics does not publish another index in place of the index, the parties must request the President of the Institute of Actuaries of Australia (or the President's nominee) to determine an appropriate index which is a general indicator of the rate of price change for the relevant goods and services, and that determination is final and binding on the parties; and
- (h) if a Change in Law 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 or, in the absence of agreement, as determined by an expert in accordance with clause 44 (Expert determination) of the Agreement.