CDM DIRECT

FREIGHT BUYER EDITION

For businesses that buy road freight

Fuel Cost Recovery Is Back

Your carriers' fuel adjustments now need a monthly check.
Pay what's owed, not what's claimed.



OBLIGATIONS RESTART
23 November 2026

Check every claim. Pay the right amount on time. Keep the proof that you did.

Transport provider? Ask for the Transport Provider Edition.

From 23 November, fuel adjustments need a monthly check

Fuel cost recovery restarts on **23 November 2026**, the Fair Work Ombudsman confirms. If you buy road transport, you must cover your providers' higher fuel costs, with rates adjusted at least monthly.

FOR EXAMPLE

40

fuel adjustments a month

A business using 40 carriers can face 40 monthly adjustments, each with its own method, baseline and evidence.

The order says you have to pay it. It doesn't tell you whether each claim is right.

21 APR 2026
Order applies
Fuel cost recovery obligations take effect.

5 JUN 2026
Obligations stop
Diesel falls below $2. The order stays in place.

23 NOV 2026
Obligations restart
Rates adjusted at least once each calendar month.

FEB 2027
Commission review
Next review, then every three months.

Work performed between 21 April and 5 June 2026 was covered too. Do you need to catch up?

Four things to know

Monthly adjustment, new contracts included.
Rates, levies and rise-and-fall terms must be adjusted at least monthly, so the provider bearing the fuel cost recovers the rise since 6 March 2026. Contracts signed after 6 March are covered too.

Your fuel surcharge matrix may not comply.
A levy counts only if the party bearing the fuel cost has a copy of the order, it's adjusted at least monthly and you've taken reasonable steps to make sure it covers the increase.

Your duty doesn't stop at your carrier.
If you're a primary party, you must take reasonable steps to make sure the increase reaches the subcontractors and owner-drivers further down the chain.

Getting it wrong is a civil penalty matter.
A court can impose a civil penalty of up to $109,200 per breach on a company. The Fair Work Ombudsman, the provider you underpaid or their union can bring a claim.

The obligation can run through the contractual chain

If you contract directly with a transport provider, you and that provider are both primary parties. Everyone further down, such as subcontractors and owner-drivers, is a secondary party.

Your business
PRIMARY PARTY
Adjusts the rate it pays and takes reasonable steps down the chain.

→

Carrier or forwarder
MAY BE PRIMARY AND SECONDARY
Recovers the increase from you and passes it on below.

→

Subcontractor or owner-driver
SECONDARY PARTY OR REGULATED CONTRACTOR
Receives the increase.

Using a forwarder or 3PL? The obligation can still apply where your contract covers road transport work. Ask how they pass the increase on to the carriers they use.

As the buyer, the work comes from three directions

Pay it.
Adjust what you pay each provider at least once each calendar month, using a method that meets the order.

Check it reaches the driver.
Take reasonable steps to make sure the increase flows to subcontractors and owner-drivers.

Prove it.
Keep the method, the review dates and the steps you took, ready for anyone who asks.

The order excludes employees of the parties, cash in transit, livestock and private deliveries. Some small business employers are exempt from the reasonable-steps duty. See the Fair Work Ombudsman guidance.

Check first

1. Which of your contracts involve road transport work?
2. Does your fuel surcharge matrix meet the conditions?
3. Who checks each provider's claim?
4. What shows the increase reached subcontractors?

What somebody now needs to coordinate

Six steps, every month the obligations apply. Each one needs an owner.

1. Map your providers.

List every carrier, forwarder and 3PL you pay for road transport, and the contracts that cover the work.

2. Check your terms.

Test each surcharge matrix and rise-and-fall clause against the order's conditions, for review by your authorised commercial team. Confirm each provider has a copy of the order.

3. Collect the claims.

Gather each provider's adjustment, its method and evidence, and the 6 March 2026 baseline it relies on.

4. Validate and approve.

Check each claim against the agreed method, relevant fuel-cost evidence and applicable baseline, then refer it for approval.

5. Ask for assurances.

Request confirmation from providers that the increase has reached their subcontractors and owner-drivers.

6. Keep the record.

File the method used, the review dates and the reasonable steps taken. Track the weekly diesel price and Commission reviews.

The work is spread across procurement, accounts payable, legal and your transport providers. Unless someone owns the process, claims get paid unchecked or late, and the evidence is missing when someone asks for it.

A recurring obligation needs a recurring owner

This work has to land somewhere. Left alone, it lands on procurement and accounts payable, people hired to buy well and pay accurately, not to audit fuel claims every month.

You could hire for it. But the volume moves with your provider panel, the diesel price and the order itself, and the order can switch off. A permanent hire is a fixed cost for work that won't stay the same size.

A co-sourced coordination team can

- Maintain a register of providers, contracts and adjustment methods
- Collect each provider's claim and chase missing evidence
- Check claims against the agreed method and prepare them for approval
- Request, answer and file assurances down the chain
- Circulate approved changes and retain the evidence trail
- Flag exceptions and deadlines to authorised staff

Your business keeps control

- ✓ Whether a contract is covered
- ✓ Contractual interpretation
- ✓ Payments
- ✓ Legal decisions

The coordination team

- ✓ Gathers the information
- ✓ Completes the follow-up
- ✓ Keeps the agreed process moving

The business keeps control of contractual interpretation, payments and legal decisions. The coordination team keeps the agreed process moving.

HOW CDM DIRECT CAN HELP

Pay the right fuel adjustment to every provider, every month

Our specialists, supported by AI-assisted workflows, collect each claim and check it against your approved rules. Your authorised people approve every payment.

CDM Direct's **Fleet Readiness as a Service (FRaaS)** includes **Fuel Cost Recovery & Administration**, one of five co-sourced operational modules. Our specialists work within your approved processes to keep the records, follow up providers and prepare each month's work for your decision.

FRaaS also supports driver readiness, compliance administration, incident and breakdown response, and maintenance coordination.

- **Fuel Cost Recovery & Administration**
- **Driver Readiness**
- **Compliance Administration**
- **Incident & Breakdown Response**
- **Maintenance Coordination**



Start with a three-cycle pilot

We'll scope your contractual-chain workload, agree a monthly process and a fixed fee, and work within your authorised approval procedures.

Talk to CDM Direct about your fuel cost recovery workload.

Book a conversation → 1800 221 811 | cdmdirect.com.au

General information, current at 16 November 2026. It isn't legal advice. Check the order and Fair Work Ombudsman guidance for your circumstances.