

REGISTER OF
ENTERPRISE AGREEMENTS

ENTERPRISE AGREEMENT NO: EA98/26

TITLE: Franklins Limited Redundancy Agreement

I.R.C. NO: 97/5920

DATE APPROVED/COMMENCEMENT: 6 November 1997

TERM: 36 months

NEW AGREEMENT OR
VARIATION: New

GAZETTAL REFERENCE:

DATE TERMINATED:

NUMBER OF PAGES: 7

COVERAGE/DESCRIPTION OF

EMPLOYEES: Clerical employees covered by the Clerks in Retail General Shops (State) Award (except clerical employees who are on Annual Review) at Franklins Limited, Chullora 2190

PARTIES: Franklins Limited -&- Federated Clerks' Union of Australia, New South Wales Branch



FRANKLINS LIMITED
REDUNDANCY AGREEMENT

Registered
Enterprise Agreement
Industrial Registrar

A. THE AGREEMENT:

There shall be a redundancy agreement hereinafter called the Agreement to cover termination of employees in the event of surplus labour.

B. THE PARTIES:

The parties to the Agreement shall be Franklins Limited, hereinafter called the employer, the Federated Clerks Union of Australia, New South Wales Branch, hereinafter called the union and the clerical employees engaged by the employer in the state of New South Wales.

This agreement only applies to all employees of the employer within the scope of the Clerks In Retail General Shops (State) Award which form an organisational unit being those employees involved in the operation on the Chullora site. The agreement does not however include clerical employees who are on Annual Review.

C. LIFE OF AGREEMENT:

The Agreement shall commence on 6 November 1997 and shall remain in force for three (3) years.

D. APPLICATION:

- (a) The Agreement shall have application when the termination of an employee results from redundancy.
- (b) In the event of a surplus of labour arising as a result of one of the following circumstances a redundancy situation shall exist and be deemed exist:

- (i) the employer has ceased, or intends to cease to carry on business; or
- (ii) the requirements of the business for employees to carry out work of a particular kind have ceased or diminished or are expected to cease or diminish.

E. NOTICE PERIOD:

An employee to become redundant shall be given four weeks notice prior to termination.

F. SEVERANCE PAYMENT:

The package shall be as follows:

- (a) Four weeks wage at the employee's current rate, as at the time of redundancy, for each completed year of employment with a pro-rata payment for each month of employment.
- (b) An employee 45 years of age or older shall receive in addition to those payment as at subclause (a) above an extra 20%.
- (c) Notwithstanding anything else written in this Agreement an employee who volunteers, and is selected, for redundancy shall receive no more than 70 weeks severance pay.
- (d) A reasonable amount of paid time shall be allowed, up to four hour on each interview, with a total time of 16 hours for the purpose of seeking other employment during the notice period. The granting of the paid time set out in this paragraph is subject to reasonable notice being given to the employer and evidence of interview being presented by the employee to the employer.



G. LONG SERVICE LEAVE:

An employee who becomes redundant in accordance with this Agreement shall receive in addition to all other payments long service leave entitlements as per the New South Wales Long Service Leave Act 1955.

H. ANNUAL LEAVE LOADING:

An employee who becomes redundant in accordance with this Agreement and who has untaken annual leave entitlements owing to him/her shall be paid a loading of 25% on all such untaken annual leave at the time of termination.

I. REFERENCE:

An employee who becomes redundant in accordance with this Agreement shall be issued, if the employee requests same, with a certificate of service which shall state the length of service of the employee, the duties performed by the employee, the skills possessed by the employee and the reason for termination.

J. METHOD OF SELECTION AND PROCEDURE FOR REDUNDANCY:

- (a) The employer shall advise the employee who are subject to this Agreement as soon as possible, when it becomes known to the employer, of the need for redundancy.

- (b) The employer shall notify to the employees the number of positions to become redundant and, if possible, in which classification the surplus of labour exists.
- (c) The employer shall call for volunteers from the classification, or from the area, where redundancies are required.
- (d) If there are more volunteers than there are redundant positions, the employer shall, before deciding on which employees are to be redundant, take the following matters into consideration:
 - (i) the length of service of each employee so volunteering;
 - (ii) the age of each employee so volunteering;
 - (iii) the skills level of each employee volunteering for redundancy;
 - (iv) notwithstanding the above sub-paragraphs, if all things are equal the employer shall adopt the last-on first-off guideline to decide which employee shall be redundant.
- (e) Should there be insufficient employees who volunteer to take up redundancy the employer shall take the following matters into consideration:
 - (i) the classifications, or area, where redundancies will be necessary;
 - (ii) the skills levels in the respective classifications, or area, where redundancies will be necessary;
 - (iii) the age of each employee in the area likely to be affected by redundancies;
 - (iv) the length of service of each of the employees in the area likely to be affected by redundancy.



- (f) The employer shall not exercise a decision on redundancy which would victimise one employee in preference to another employee for merely engaging in union activities or other past lawful behaviour in which an employee engaged whilst in paid employment with the employer.

K. RE-ENGAGEMENT:

- (a) An employee who is made redundant and is subsequently re-employed by the employer within 6 months of having being made redundant shall have continuity of employment except that the period for which the employee was absent will not be calculated.
- (b) Subclause (a) above will not apply unless all moneys paid to the said employee at the time of termination is repaid in full to the employer at the time of re-engagement.
- (c) Subclause (a) and subclause (b) above do not apply to an employee who volunteered, and was thus selected, for redundancy.
- (d) A previously redundant employee who is re-engaged by the employer after 6 months from when he/she terminated shall not have continuity of service.

M. SUPERANNUATION:

An employee who becomes redundant in accordance with this Agreement shall receive all superannuation entitlements in accordance with the superannuation trust deed to which the employee was a contributor and in compliance with the Superannuation Guarantee Levy.

N. EMPLOYEE'S ESTATE:

In the event an employee who is serving out a notice period for redundancy deceases during this period, the full benefits of the redundancy entitlements which would have been paid to the employee shall be paid to the estate of the said employee.

O. FINANCIAL COUNSELLING:

The employer shall make available to a redundant employee professional financial counselling during the notice period.

P. SIGNATURES OF THE PARTIES:

SIGNED: 

Mark Rusbatch
NSW State Director
Franklins Ltd

DATE: 10/12/97.

SIGNED: 

Michael Want
Secretary
Federated Clerks Union of Australia
New South Wales Branch

DATE: 9.12.97.

ATTACHMENT A

Enterprise Agreement

Comparison Table

Industrial Registrar

CURRENT REDUNDANCY

- (1) If an employee is under 45 years of age, the employer shall pay in accordance with the following scale:

| Under 45 Years Of Age | Years of Service Age Entitlement |
|-------------------------------|----------------------------------|
| Less than 1 year | Nil |
| 1 year and less than 2 years | 4 weeks |
| 2 years and less than 3 years | 7 weeks |
| 3 years and less than 4 years | 10 weeks |
| 4 years and less than 5 years | 12 weeks |
| 5 years and less than 6 years | 14 weeks |
| 6 years and over | 16 weeks |

- (2) Where an employees is 45 years old or over, the entitlement shall be in accordance with the following scale:

| Years of Service | 45 Years of Age and Over Entitlement |
|-------------------------------|--------------------------------------|
| Less than 1 year | Nil |
| 1 year and less than 2 years | 5 weeks |
| 2 years and less than 3 years | 8.75 weeks |
| 3 years and less than 4 years | 12.5 weeks |
| 4 years and less than 5 years | 15 weeks |
| 5 years and less than 6 years | 17.5 weeks |
| 6 years and over | 20 weeks |

PROPOSED REDUNDANCY AGREEMENT

| Less than 1 year | | Pro rata payments for each month of employment |
|------------------|----------|--|
| 1 year | 4 weeks | " " |
| 2 years | 8 weeks | " " |
| 3 years | 12 weeks | " " |
| 4 years | 16 weeks | " " |
| 5 years | 20 weeks | " " |
| 6 years | 24 weeks | " " |
| 7 years | 28 weeks | " " |
| 8 years | 32 weeks | " " |
| 9 years | 36 weeks | " " |
| 10 years | 40 weeks | " " |
| 11 years | 44 weeks | " " |
| 12 years | 48 weeks | " " |
| 13 years | 52 weeks | " " |
| 14 years | 56 weeks | " " |
| 15 years | 60 weeks | " " |
| 16 years | 64 weeks | " " |
| 17 years | 68 weeks | " " |
| 18 years | 70 weeks | " " |

- A maximum of 70 weeks severance pay.
- An employee 45 years of age or over, shall receive in addition 20% extra severance pay.