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CSR Redundancy & Retrenchment

CSR LIMITED (ABN 90 000 001 276)

AND

THE CSR & RINKER SALARIED STAFF ASSOCIATION

REDUNDANCY AND RETRENCHMENT AGREEMENT

JULY 2005

1. APPLICATION

- 1.1. This Agreement shall be binding on the Association, the Company and all employees as defined in the CSR Staff (Consolidated) Award, 2000 or its successor ("Award"), but excluding employees whose contract of employment is
- (i) casual,
 - (ii) seasonal or
 - (iii) for a specific term or specific project.
- 1.2. This Agreement will not apply to an employee whose position is redundant and who accepts an offer of an alternative position within CSR regardless of the duties, title or terms and conditions of employment applying to the alternative position.
- 1.3. This Agreement shall be read in conjunction with the CSR Staff (Consolidated) Award, 2000, provided that there shall be no double counting of benefits provided by this agreement and the Award.
- 1.4. This Agreement shall supersede the agreement between the parties dated November 2002.

2. DEFINITIONS

- 2.1 "Redundancy" means an employment situation where the Company no longer requires the job carried out by an employee to be carried out by anyone.
- 2.2 "Retrenchment" means the termination of employment by the Company of an employee whose position has become redundant.
- 2.3.1 "Salary" means the employee's annual salary rate as determined by the Company or, in the case of those employees to whom the CSR Limited Senior Staff Packaging Arrangements Certified Agreement 1998 applies, base salary as defined in that agreement at the time of retrenchment.
- 2.3.2 "Remuneration" means:
- (i) for those employees to whom the CSR Limited Senior Staff Packaging Arrangements Certified Agreement 1998 applies, total package value as defined in that agreement; and
 - (ii) for all other employees, their salary plus 12% (which is the employer's standard contribution to the Harwood Superannuation Fund) and annual leave loading.
- 2.4 Terms and conditions of employment are no less favourable overall:
- (a) if the employee is required to relocate to a place of work requiring additional travel to and

from work:

- (i) and the relocation is consistent with the employee's contract of employment, or
 - (ii) where the additional travel imposes undue hardship on the employee and the employee is offered reasonable incentives or altered terms and conditions of employment to accommodate the additional travel.
- (b) where the duties of, or skills and competencies required for, the new position offered to the employee:
- (i) are comparable to the redundant position, or
 - (ii) are capable of performance by the employee with appropriate training and the employee is offered appropriate training.
- (c) where the new position is with:
- (i) CSR, there is no reduction in total remuneration, or assigned job grade, or
 - (ii) an employer other than CSR, there is no reduction in total remuneration.

3. REDUNDANCY AND RETRENCHMENT - NOTICE

- 3.1 When the Company makes a definite decision that an Employee's position is to become redundant the Company will advise the employee in writing of the intended redundancy and the anticipated date when that will occur.
- 3.2 If an employee is retrenched the employee will be given notice of termination, or payment in lieu, in accordance with the terms and conditions of the employee's employment.
- 3.3 An employee who has been given notice of termination of employment is required to work up to the last day of the notice period. The Company may approve an employee's request for termination during the notice period and such approval will not be unreasonably withheld. All of the employee's entitlements will be calculated up to the date the employee ceases employment.
- 3.4 If an employee ceases employment during the notice period without Company approval the employee will forfeit payment for the balance of the notice period and the redundancy pay.
- 3.5 As soon as practicable after being given notice of retrenchment, the employee is to be given by the Company an estimate of amounts potentially payable under clause 5 and an estimate of the employee's superannuation benefit.
- 3.6 As soon as practicable after giving notice of retrenchment the Company will advise the trustees of the employee's superannuation fund that the employee's employment is to be retrenched.
- 3.7 Unless otherwise agreed, at the date of termination all benefits of employment will cease and Company credit cards, vehicles, computers and other property, must be returned to the Company and all loans from the Company to the employee must be repaid. The employee authorises the Company to deduct the balance of any loan from any redundancy pay or pay in lieu of notice due to the Employee.
- 3.8 The Company undertakes to advise the CSR & Rinker Salaried Staff Association as soon as practicable of any reorganisation or other changes likely to lead to redundancy and to consult with the Association on the likely timing and other effects of such changes. The purpose of this advice and consultation is to allow the Company and the CSR & Rinker Salaried Staff Association to discuss the particular circumstances in a generalised manner. Such discussion will not, except where unavoidable, concern individual employees.

4. ASSISTANCE TO RETRENCHED EMPLOYEES

If an employee is to be retrenched the Company will at its cost provide the employee with assistance to find alternative employment. The extent and cost of the assistance will be at the Company's discretion.

This assistance can include:

- (a) leave with pay to enable the employee to seek alternative employment or to make arrangements for their changed circumstances:

- (b) counselling;
- (c) financial advice.

5. PAYMENTS ON RETRENCHMENT

5.1. Retrenched employees will receive the following:

“ (i) **Redundancy Pay**

Three months salary plus 0.7 months salary per year of completed service, pro rata to completed days of service up to a maximum of two years salary. Provided that if an employee receives a payment in lieu of notice in excess of the amount which would be payable in accordance with clause 9, the redundancy pay due to the employee under this clause will be reduced by the amount of pay in lieu of notice less an amount equal to the amount which would be payable in accordance with clause 9.

(ii) **Annual Leave**

Payment of all accrued annual leave and annual leave loading.

(iii) **Long Service Leave**

Payment of all accrued long service leave.

If an employee has less than seven years continuous service the Company will pay pro rata long service leave on the following basis:

Staff under Age 52

at the rate of 1.0 weeks per year of service; pro rata to completed days of service

Staff Aged 52 and over

at the rate of 1.4 weeks per year of service; pro rata to completed days of service.”

5.2 **Relocation Expenses**

Where an employee is retrenched whilst employed at a location for five (5) years or less to which they were transferred at the Company's request, the Company will assist the employee to return to the city of engagement (or an alternative destination if the cost is no more) if the employee relocates within six (6) months of termination of employment.

This assistance will comprise reimbursement of:-

- (a) economy air fares for the employee, spouse and dependants;
- (b) cost of transport, storage (for up to four months) and insurance of household goods and effects;
- (c) cost of reasonable accommodation incurred directly as a result of Retrenchment (up to one month).

5.3 **No Less Favourable Employment**

Where a retrenched employee was prior to the retrenchment offered employment by:

- (i) CSR;
- (ii) the employer for a business which was transmitted by CSR at the time of the redundancy, or
- (iii) another employer at CSR's initiative,

on terms and conditions no less favourable overall than the employee's existing contract and which provides for continuity of service of the employee, the employee will not receive the benefit of clauses 4, 5.1(i), 5.2 or the additional long service leave in clause 5.1(iii).

6. PART-TIME/FULL-TIME EMPLOYEES

Employees who have both full-time and part-time service will be entitled to redundancy pay calculated on a pro rata basis. Part-time years of service will be converted to equivalent full-time years of service at the actual annualised full-time rate of salary for the purposes of the calculation, which will apply to both notice and redundancy pay.

7. GENERAL TERMINATION OF EMPLOYMENT

Nothing contained in this Agreement shall be construed to mean that the Company may not terminate an employee's employment:-

- (i) in the normal course of business in the manner provided by the Award, or
 - (ii) without notice for malingering, inefficiency, neglect of duty or misconduct,
- without the Company being required to give the employee the benefit of this Agreement.

8. TRANSMISSION OF BUSINESS

Where a business is before or after the date of this agreement, transmitted from the employer to another employer ("transmittee") and an employee who at the time of such transmission was an employee of the employer becomes an employee of the transmittee:

- (a) the continuity of employment of the employee shall be deemed not to have been broken by reason of such transmission;
- (b) the period of service with the employer is taken to be a period of service with the transmittee; and
- (c) no payment in respect of accrued long service leave is payable to the transmitted employee by the employer.

In this clause, transmission includes transfer, conveyance, assignment or succession whether by agreement or by operation of law and transmitted has a corresponding meaning.

9. OTHER PROCEEDINGS

The contents of this Agreement shall not be used as a precedent nor used in any other proceedings.

10. DURATION

This Agreement shall remain in force until replaced by another Agreement.

11. SIGNATORIES

Signed for and on behalf of CSR Limited



J Dyer
Date 22/06/05

Signed for and on behalf of the CSR & Rinker
Salaried Staff Association



L Cole
Date 19/07/05

