



ReddiFund
More than Redundancy

EMPLOYER GUIDE



ABN: 80 337 100 395

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This handbook is in four parts:

- Part 1** Overview of ReddiFund.
- Part 2** Joining and contributing to the Fund.
- Part 3** Employers obligations and Employees entitlements.
- Part 4** Putting back into the Construction Industry

The handbook is designed to provide answers to the most common questions that arise concerning the Fund but is not a substitute for the legal document (the Trust Deed), which governs the Fund.

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HOW THE FUND WORKS

Introduction

ReddiFund (formally known as WACIRF) was established in 1989 to provide benefits for building and construction workers based on the Industrial Agreement of 1 October 1987.

On the 1st of April 2003 to comply with Fringe Benefits Tax law, ReddiFund was established and replaced WACIRF.

ReddiFund is an Approved Worker Entitlement Fund and is registered under the Fringe Benefits Tax Act 1986.

Under the terms of the Trust Deed employers have greater flexibility allowing them to nominate what contributions will be made for particular employees or those working on particular sites.

This gives you the employer greater flexibility. You decide who you will pay for and the rate you will contribute at, subject to you having entered into a registered industrial agreement which specifies these terms. If however, you wish to contribute for all employees at a common rate for an indefinite period you may select the base site.

When nominating a rate of contribution, remember that the Trust Deed specifies that the minimum rate of contribution will be \$40 per week or part of a week per employee. Only when apprentices are being contributed for can the rate be less than \$40 per week.

Some industrial agreements have specific clauses with respect to redundancy and care should be taken when registering with the Redundancy Fund that you do not breach your obligations under such industrial agreement. You are required to nominate that contributions will be made to the Fund for which employees and at the rates provided for in any registered industrial agreement that you may have entered into.

Finally, if a Participating Employer Member wishes to resign from the Fund and no longer be bound by its terms and conditions they need to do so in writing. This is done by giving notice of your intention to resign and that will expire at the later of the end of your employee's current working week or the expiration of the last fixed period for contributions that you have nominated.



SPONSORS OF THE FUND

The sponsors of the Fund are the following Employer Associations and Unions:

1. Master Builders' Association of Western Australia
2. Construction Contractors Association of Western Australia
3. The Master Plumbers and Gasfitters Association of Western Australia
4. Construction, Forestry, Mining and Energy Union of Workers Western Australia.
5. Construction, Forestry, Mining and Energy Workers Union of Australia, Construction and General Division (Western Australia Branch)



The Fund is designed to provide a redundancy benefit for construction workers on retrenchment, leaving the industry, or on retirement.

The Trustee has appointed:

- A Fund Administrator
- An Auditor
- A Solicitor

The Trust Deed, which is the original document, signed by the employer and employee groups who sponsored the establishment of the Fund and the Trustee, is available from our website: <https://reddifund.com.au/about-us/governance/>.



ADMINISTRATION AND ENQUIRIES

The Administrator may be contacted at:

Unit 2
1st Floor, 42-44 Parliament Place
WEST PERTH, WA 6005
www.reddifund.com.au

P O Box 432
WEST PERTH, WA 6872

Telephone (08) 9481 0259
Email info@reddifund.com.au



Enquiries on any matter concerning the Administration of the Fund should be made to this office between the hours of **8.30am and 4.30pm** Monday to Friday.

PART TWO

HOW AN EMPLOYER REGISTERS WITH THE FUND

For an Employer to register with the Fund, each employer must complete and execute a Contribution Agreement (which is included in your Membership Kit).

The Contribution Agreement is a legal document binding you the Participating Employer Member to the terms and conditions as contained in the Trust Deed.

The Trust Deed, which is the original document, signed by the Employer and Employee Groups who sponsored the establishment of the Fund and Trustee, is available from our website: <https://reddifund.com.au/about-us/governance/>.

By signing the Contribution Agreement, the employer is legally bound to fulfil the obligations as set out in the Deed with respect to all the employees that are enrolled with the Fund under the Participating Employers name.

The original executed Contribution Agreement must be forwarded to our office.

MEMBERSHIP APPLICATION FORM

An employee employed by a Participating Employer Member who is registered with the Fund may make application to join the Fund on the prescribed Employee Application Form (see Membership Kit) which can be obtained from our website (www.reddifund.com.au).

A membership application cannot be accepted unless all the information requested on the form is completed and the form is signed by the employee and witnessed by an independent person.

If a completed Employee Application Form is not held at the offices of the Fund a Participating Employee Member will not be able to claim any entitlements from the fund until such form is completed and registered with the Fund.



CONTRIBUTION RATE

For each week or part of a week a participating employer must contribute on behalf of each of their employees the agreed contribution rate to the Fund, payable monthly in arrears.

Our Fund does not charge any administration fees.

The monthly contribution when paid is credited to the nominated employees account.

The rate of contribution may vary from time to time as agreed to by the Union / Employer of the Fund.

The Trust Deed specifies that from 1st July 2009 the minimum rate of contribution will be \$40 per week.

Under the regulations of the Trust Deed a week is defined as commencing on a Saturday and ending on a Friday of any week.



HOW PAYMENTS ARE CALCULATED

The contribution for each member is an agreed contribution rate of \$40 upwards. A week/part week comprises any period of one or more days of any period of seven consecutive days in which an employee provides his/her labour to the contributing employer. Weeks will run from Saturday to Friday.

The payment is to be made monthly in arrears, with each month ending on the last Friday of the calendar month.

If an employee has worked part of a week, a contribution at the agreed rate is made for the whole of that week.

No contribution is required if an employee has been absent on unpaid leave for the whole (Saturday – Friday) of that week.

Contributions are made for employees while they are employed by you and are receiving pay. This includes the time they are on sick leave, annual leave, long service leave, bereavement leave, jury duty and whilst they are on paid workers compensation.



HOW EMPLOYERS HELP THE FUND

Once you the employer are registered with the Fund, please make sure you also setup an account to our Members Portal, for more information please visit:

<https://reddifund.com.au/employers/account-login/>.

Processing Monthly Contributions

At the end of each month the Fund will make available via our Members Portal the Contribution detailing your liability to the Fund in respect of all your employees who were registered with the Fund from the previous months period.

For more for information on managing employees and their contributions, please see our ReddiLink Portal Employer Handbook by visiting:

<https://reddifund.com.au/employers/handbook/>.

Leavers/Terminations

If an employee member of the Fund has ceased to be an employee of yours during the month, or is on unpaid leave, you can provide us these information during the contributions approval process for the relevant period or via the Terminate Employment page in the Members Portal.

New Employees

A Participating Employer Member should advise the Fund of any new starters immediately. This can be done by completing a Add a New Employee process from the Members Portal.

CONTRIBUTION APPROVAL CHECKLIST

The Contribution issued monthly via the Members Portal is based on our definition of Month End – being the last Friday of each month. Please take all reasonable steps to make sure that the number of weeks or days you have entered for each employee is correct as we cannot reverse this once the contribution is approved.

Is your monthly Contribution complete?

Your monthly Contribution will consist of all employees you have registered with the Fund up to and including the last Friday of the month. If for some reason you have forgotten to register an employee with the Fund prior to the month rolling over, you can still add them the following month.

When missed Employees from prior month(s) are eventually added, their Start Date will be taken into consideration and allow for back dating of entitlements when our system completes the month end roll over.

Are the calculations correct?

Please double check the total contributions charged to you and any variations are recorded on the Contribution to ensure that this amount agrees with your payment amount.

If the payment amount does not agree with the amount shown on the contribution, then all the funds cannot be allocated to employee members' accounts until the correct details are provided to the Fund.

Help us "Find" our members and "Keep" them

One of our problems is having recorded incorrect addresses on record. An incorrect or outdated address can prevent the Fund from delivering a Participating Employee Member's membership card or the Bi-Annual and Annual Statement reporting on members' entitlements in the Fund.

When an employee member changes their address, please inform the Fund as soon as practically possible.

- When you become aware that an employee has changed their address, please advise the Fund via e-mail (info@reddifund.com.au); or
- If any of your details have changed, please notify us without delay.

Without the correct addresses on file there can be no effective communication between the Fund and the employer members or between the Fund and employee members.

MEMBERSHIP CARDS

Membership Cards are evidence of an Employee's membership with the Fund. The cards are issued directly to the Employee Member upon them being registered with the Fund.



OVERDUE CONTRIBUTIONS

If you fail to make your payments for any given month you may be contacted by a team member from ReddiFund, to remind you that we have not received the contributions for the prior month(s).

If none of your employees have worked on any given month, you can simply enter 0 (zero) in their weeks or days worked per employee via the Portal during the Contribution Approval process.

Contributions to the Fund are an enforceable contract, and overdue contributions should be paid immediately.

The Fund may commence legal proceedings to recover any outstanding contributions to preserve the rights of the participating employee members.

The Trust Deed specifies that if necessary, the Fund may at its discretion commence legal action for recovery of overdue amounts, and the employer is liable for any associated costs including interest in recovering the outstanding amount.



MAKING A CLAIM FOR A PAYOUT

Redundancy / Termination

When an employee member is made redundant or ceases employment with their employer and has no offer of re-employment pending within the commercial construction industry they will be eligible to make a claim for all amounts standing to the credit of their account.

The Fund will deduct the appropriate amount of tax, which is at the concessional rate of 32% normally. If the employee is over the retirement preservation age, the rate of tax will be 17%.

The amount available will be equal to the agreed contribution rate ranging from \$40 upwards, per week or days, multiplied by the number of weeks or days worked, less the appropriate amount of tax.

The Fund is responsible for the payment of Participating Employee Members redundancy entitlements. The amount paid will be the sum of confirmed contributions held by the Fund for that employee member. All payments are made after deducting the appropriate amount of tax from their payment.

The Tax Act specifies that a worker has twelve (12) months from the date they leave the industry to make a claim for their entitlements and be taxed at the concessional rate of tax. If they exceed the twelve months, they forfeit the benefit of being taxed at the concessional rate and any subsequent claim payments are required to be taxed at the maximum marginal rate of tax applicable at the time of making a claim.

For a participating employee member to make a claim they must submit completed documentations to the Fund. Once the documentation has been received, it will go through a verification and approval process.

The Fund processes claims each Tuesday and Thursday, if there is a public holiday within the current week, claims will instead be processed once on a Wednesday for that week.

To make a redundancy claim, you can visit our office at Level 1 / 42-44 Parliament Place in West Perth. Alternatively, claim documentations can be downloaded from our website (<https://reddifund.com.au/employees/make-a-claim/>).

Generally, we require the following document(s) in order to process a claim:

- **Members Claim Form** confirming your 9 digit Tax File number and bank details.
- **Employee Application Form**
- **Separation Certificate** or **Letter of Termination** from your last employer (we will not be able to process your claim until we receive written notification of your termination date from your last employer within the building and construction industry)
- **Certified copies of 100 Points Identification (front and back)** (for example Driver's License, Passport) and **Bank Statement** (we do not need to see your transactions or balance, but we do need to see that the bank account is clearly under your name).
- **Statutory Declaration** and your signature witnessed by an authorized person (see 100 Points Identification guidelines).

Once you have completed the required paperwork, it is recommended that you e-mail us a copy so that we can check to make sure they are completed correctly before posting the originals to us.

All these forms are also available at our office where a ReddiFund Staff can assist in completing the claim.



PAYMENT UPON DEATH

Death

All entitlements of any deceased members are processed according to their **Last Will and Testament** which must be accompanied by a **Grant of Probate**. However, if the deceased person died intestate (without a Will), then a **Letters of Administration** must be supplied.

To obtain copies of the documentations required to lodge a Deceased Estate Claim, please contact our office on (08) 9481 0259 or via e-mail (info@reddifund.com.au).

Please kindly post back to us **original certified copies** of the following documentation(s):

- Deceased Person's **Death Certificate**;
- Deceased Person's **Last Will and Testament with Grant of Probate** or **Letters of Administration**;
- **Proof of your relation** to the deceased (e.g. Marriage Certificate, Statutory Declaration as to de-facto status or relation);
- **100 Points** worth of **Identification Documents** of the Applicant(s); and
- A **letter** confirming that **professional advice** has been sought in relation to Death Benefit claim.

For the following documentations, please **post back** the **completed originals**:

- **Death Benefit Questionnaire**; and
- **Member's Claim Form** (of the Estate).

Once we receive all relevant documents, due diligence process will commence, and payments will follow thereafter if no issues arise.



PART FOUR

PUTTING MONEY BACK INTO THE CONSTRUCTION INDUSTRY

ReddiFund is proud to be the major sponsor of MATES in Construction WA Ltd which provides invaluable support to all workers and their families in the construction industry in WA



About MATES

MATES in Construction is a charity established in 2008 to reduce the high level of suicide among Australian construction workers. It is owned and controlled by the Australian Building and Construction Industry.

MATES in Construction is based on the simple idea that “suicide is everyone’s business” and that if the building and construction industry in Australia is to improve the mental health and wellbeing of workers and to reduce suicide then it cannot be left to the mental health professionals, but rather everyone in the industry must play their part.

MATES in Construction is independent of employers and unions and never works directly for a particular employer, but for the construction industry generally. Programs are delivered across the industry regardless of employer and / or union affiliation.

MATES in Construction was established to implement the recommendations of a major report on suicide [the AISRAP Report] within the Queensland Commercial Building and Construction Industry which found that suicide rates in the industry was higher than the Australian average for men, and that youth suicide within the industry could be as much as 2.38 times common than amongst other young Australian men.

MATES in Construction provide community development programs on sites and support workers in need through case management and a 24/7 help line.

MATES in Construction also provide Life Skills Toolbox training to apprentices and young workers.

