



ReddiFund
More than Redundancy

EMPLOYER HANDBOOK



ABN: 80 337 100 395

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)

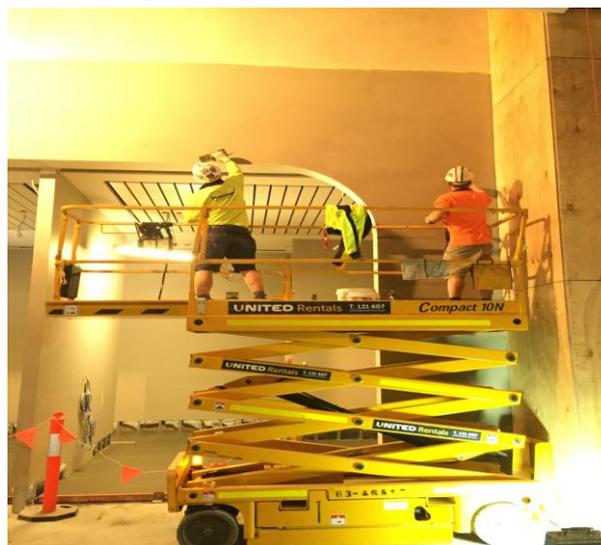


The Fund is designed to provide a redundancy benefit for building workers on retrenchment, leaving the industry, or on retirement.

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 for inspection at the Fund's office at, Unit 2, 44 Parliament Place, West Perth WA.



ADMINISTRATION AND ENQUIRIES

The Administrator may be contacted at:

Unit 2
1st Floor, 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 for inspection at the Fund's office (44 Parliament Place, West Perth WA) between the hours of **8.30am and 4.30pm**.

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

The original executed Contribution Agreement must be forwarded to the office of the Fund.

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). Additional forms may be obtained from the office of the Fund or from their respective Union representatives.

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.

There is no deduction from the contribution for any Administration fees or membership 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 Directors of the Fund.

The Trust Deed specifies that from 1st July 2009 the minimum rate of contribution will be \$40 per week, or for part of a 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, per week or for part of the week. 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 made monthly, 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, a monthly Contribution Statement will be provided to you setting out your liability to the Fund.

Filling in a Contribution Return

At the end of each month the Fund will send you a Contribution Statement and Return detailing your liability to the Fund in respect of all of your employees who were registered with the Fund from the previous months Contribution Return.

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 should advise the Fund of the date of termination or the period of unpaid leave on the Contribution Return next to their name on the form.

New Employees

A Participating Employer Member should advise the Fund of any new employees they wish to register since the date of the last Contribution Statement by completing the following details on the current Contribution Return:

- **Full Surname** and **Christian Names** of the new employee(s)
- **Address** of new employee(s)
- **Mobile Number** of new employee(s)
- **Date of birth** of the new employee(s)
- **The date** employee(s) **commenced working** with you.
- **The site** and **rate of contribution** they are to be contributed at.

If insufficient space is available on the contribution return, attach a supplementary sheet with the return.

If a new employee is already a member of the Fund you should quote their Fund membership number in addition to the information required above.

You must return the amended copy if applicable, of the Contribution Return together with your payment for the amount of your liability to the Fund. If there are any new additions or leavers during the period, you should compute your amended liability to the Fund and remit that amount. Cheques should be made payable to ReddiFund and should be received by the Fund no later than 14 days after the end of the month for which the contribution statement refers. If you are paying electronically and remitting your contribution return via electronic means the same time deadlines apply.

Even if you have no employees, or no employees that are working on site in the month, you must complete the Contribution Return and return it to the Fund. In such cases you write "NIL" on the return next to the employee's name.

CONTRIBUTION RETURN CHECK-LIST

The Contribution Statement is provided as an aid to assist you in preparing a correct monthly Contribution Return. It is not a billing statement. You should check that all of the following items are correct each month to avoid mistakes and delays:

Is your monthly Contribution Statement complete?

Your Contribution Statement/Return should show the name, date of commencement, membership number, the number of week's contributions are payable for the month and the total amount of contributions owing for each employee.

If you have a new employee, complete all the employee details obtained either from your Pay Records or as per the Membership Application Form. Indicate the members who have not been employed by you during the month, or part month thereof, on the return. An incomplete Contribution Return will delay its processing.

Ensure your cheque or electronic payment is for the total amount and the cheque made payable to ReddiFund.

Are the calculations correct?

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

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

Have you included new employee member details?

When you register a new employee with the Fund always ensure that if they are not already a Participating Employee Member of the Fund that they complete an Application Form. Attach the completed form to your next Contribution Return and send it to the Fund.

If your Contribution Statement shows that no Application Form has been received for an existing employee member, please ask that employee to complete a form as soon as possible and attach it to your next Contribution Return.

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

One of our problems is having recorded incorrect addresses on the Fund's master files. An incorrect or outdated address can prevent the Fund from delivering a Participating Employee Member's membership card or the six monthly statement reporting on members' entitlements in the Fund. Maintenance of Employee Member's correct addresses is an ongoing problem.

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 on the next Contribution Return, or
- If you have changed your name or address 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. A Membership Card is required to be produced when an employee member presents themselves to make a claim for their entitlements.



OVERDUE CONTRIBUTIONS

If you fail to make your payments for any given month you will be advised of this on the next Contribution Statement. A reminder that contributions have not been received for the previous month will appear on the next Contribution Statement. If you had no employees for that month it is your obligation to lodge a "NIL" return by 14th of the following month in question.

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 it is necessary to commence legal action for recovery of overdue amounts, as well as the outstanding amount owing the employer members will be liable for all costs incurred in recovering the amount, together with interest on the amount outstanding for the period of time the amount is unpaid.



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, times the number of weeks worked, less the appropriate amount of tax.

The Fund is responsible for the payment of Participating Employee Members redundancy entitlements. This will be the amount 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 documentation to the Fund. Once the documentation have been verified, payment will be made within 48 business hours of the claim being submitted.

To make a redundancy claim the following documents must be submitted:

- a) A Termination Payment Tax File Number Notification Form.
- b) Bank Account Details. The Bank BSB number and Account name and Number
- c) If available, a copy of the signed Separation Certificate issued by the last employer.
- d) A signed and witnessed Statutory Declaration under the following circumstances:
 - Voluntary resignation stating that he or she has no offer of re-employment pending in the commercial building industry in Western Australia.
 - That the member has retired from the Industry.
 - That the member is now working outside of the industry in the capacity of (state type of employment they are working in at the time of making the claim).

All these forms are available at the office of the Fund or can be downloaded for the ReddiFund website.



PAYMENT UPON DEATH

Death

If a Participating Employee Member dies and there is an entitlement in their account held by the Fund, the following will apply:

For a personal legal representative (the Executor) of the deceased members estate to make a redundancy claim the following documents must be submitted:

- a) Proof of death of the Participating Employee Member (a certified copy of the Death Certificate)
- b) Proof that they are the personal legal representative of the deceased member, a copy of the last Will and Testament or a Supreme Court of WA grant of Probation or Administration.
- c) Proof of identity of the claimant (either a Passport, Driver's Licence with photograph) as the legal personal representative of the deceased Participating Employee Member.
- d) If the claimant is the legal representative of a Participating Employee Member, a Supreme Court of WA grant of Probate or Administration naming the claimant as the legal personal representative of the Participating Employee.
- e) A signed and witnessed Statutory Declaration confirming the death of the Participating Employee Member, proof of identity of the claimant as the personal legal representative of the deceased Participating Employee Member.



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.

