



CALCULATING VOLUNTARY REDUNDANCY – VARIED HOURS AND LWOP

Calculating the severance portion

1. Less than 13 years total continuous service – combination of part time and full time service

The severance payment (up to 39 weeks) comprises payment at the part time rate of pay for the periods of part time service plus the full time rate of pay for the periods of full time service. For example, an employee that worked five years full time and one year at 28 hours per week would have their payment calculated using the flowing methodology:

Five years x three weeks per year x 35hpw rate
Plus
One year x three weeks per year x 28hpw rate

2. More than 13 years total continuous service – combination of part time and full time service

If the portion of full time service equals 13 years or more the severance payment (up to 39 weeks) is paid at the full time rate of pay.

If the portion of full time service is less than 13 years the severance payment (up to 39 weeks) comprises payment at the full time rate of pay for all of the full time service and at the part time rate for rate of pay for the balance of part time service. Where there are varied part time hours in the part time service the part time hours that provide the maximum benefit to the employee should be used. For example, an employee that worked three years full time, two years at 28 hours per week and one year at 14 hours per week would have their payment calculated using the flowing methodology:

Three years x three weeks per year x 35hpw rate
Plus
Three years x three weeks per year x 28hpw rate

Calculating the in lieu of notice and ‘incentive’ payments

In all cases the four/five weeks payment in lieu of notice and the up to eight weeks ‘incentive’ payment are calculated at the existing substantive salary rate. For example, if the employee is currently working part time the payments would be calculated at the part time rate of pay.

Leave without pay and maternity leave

Periods of leave without pay and unpaid maternity leave are not considered a break in service, however the periods are deducted from the total period of continuous service for the purpose of calculating the amount payable. For example:

- an employee has five years of service, including one year leave without pay, the severance payment would be based on four years of service.
- an employee has ten years of full time service and two years part time leave without pay one day per week, the severance payment would be based on 11.6 years of service.