

1987

THE PARLIAMENT OF THE COMMONWEALTH
OF AUSTRALIA

HOUSE OF REPRESENTATIVES

WILLIAMSTOWN DOCKYARD EMPLOYEES BILL 1987

EXPLANATORY MEMORANDUM

(Circulated by authority of the Minister for Defence,
the Hon. Kim Beazley, M.P.)

Williamstown Dockyard Employees Bill 1987

Outline

The purpose of this Bill is to exclude the operation of redundancy benefits with regard to those employees of Williamstown Dockyard who, upon its sale by the Commonwealth to private interests, are offered continued employment at the Dockyard by the purchaser and are not therefore, truly redundant.

Financial implications

No expenditure by the Commonwealth will arise out of the operation of the Bill. Redundancy payments to those employees continuing in employment at the Dockyard will be avoided. At this stage, this cannot be calculated.

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Notes on ClausesClause 1 - Short title

Formal.

Clause 2 - Commencement

This clause provides for the legislation to come into force on a day to be fixed by proclamation.

Clause 3 - Interpretation

This clause defines certain expressions used in the Bill.

Clause 4 - Certain employees deemed to have been retired

The purchaser of the dockyard will offer employment to the employees whom it wishes to employ. Employees who accept will continue in employment at the dockyard, albeit under a different employer. In the circumstances it is inappropriate to treat such an employee as having become redundant and hence entitled to a 'redundancy package'. Paragraph 4(a) accordingly provides that the employee, on transfer, is to be deemed to have retired from the Public Service or employment under the Naval Defence Act 1910 and the Long Service Leave (Commonwealth Employees) Act 1976 and other laws will apply accordingly. It is not desired that paragraph (a) should affect the operation of the Superannuation Act 1976 and paragraph (b) ensures that the employees will continue to be treated for the purposes of that Act as if they had retired involuntarily.

Clause 5 - Certain employees deemed to resign

The bill makes no provision for employees who are not offered employment by the company. Accordingly, such employees will be either

redeployed if appropriate to their present conditions of employment or retrenched and therefore entitled to the 'redundancy package'. It could occur to an employee to refuse an offer of employment and, after having the benefit of the redundancy package, to subsequently take up employment with the company thus securing a financial advantage over an employee who transferred to the company.

Sub-clause (1) accordingly provides that an employee who does not accept an offer of employment by the company is deemed to have resigned.

As it would not be fair to apply this rule to an employee who declined employment because he was offered inferior remuneration, sub-clause (2) provides that sub-clause (1) does not apply to such an employee.