


POLICY	
	<h2>Pre retirement Contracts</h2>
Contact Officer	Manager, Employee Relations

Purpose	This policy outlines the provisions under which the University will issue Pre retirement contracts to staff.
Overview	<p>A pre-retirement contract allows the University and a continuing member of staff to agree to give up their continuing status and enter into a fixed-term contract prior to the employee's retirement. The employee's employment with the University ends on the expiration of the contract.</p> <p>Pre-retirement Contracts are voluntary.</p>
Scope	This policy applies to all continuing employees of the University who have reached eligible superannuation retirement age in accordance with their superannuation fund.
The Policy	<p>The Macquarie University Enterprise Agreement makes provision for Pre retirement contracts.</p> <p>A pre retirement contract is a fixed term contract of employment between the University and an employee who has indicated a willingness to commit to a retirement date. If sought, and approved, a pre retirement contract will supersede any pre existing contract of employment.</p> <p>Pre retirement contracts are intended to provide a greater level of certainty for both the organization and the staff member and are designed to assist with organisational planning and financial management.</p> <p>Approval process</p> <p>The Deputy Vice Chancellor may approve the offer of a Pre retirement contract on the recommendation of the Dean or Director and after receiving the advice of Director, Human Resources.</p> <p>In making a recommendation to the Deputy Vice Chancellor, the Dean or Director will identify the likely outcomes to the organisational unit of the Pre retirement contract.</p> <p>Applications for Pre retirement contracts may be declined if the Deputy Vice Chancellor considers that the issuing of a pre retirement contract is not in the best interests of the organisational unit or University.</p>

The University reserves the right to decline an application for a pre retirement contract and the right to specify particular contract conditions.

The length of the pre retirement contract will be determined within the context of the circumstances that exist within the organisational unit. Typically the period of a pre retirement contract will be between 6 and 24 months.

Loadings

The loading payable will normally be determined with a value equivalent to 15% of one years salary At the discretion of the DVC a higher loading may be granted for contracts of less than 12 months where no replacement staff member will be appointed.

Loadings are payable from budget unit funds.

Superannuation

The loading will be subject to superannuation contributions by both the staff member and the University in accordance with the requirements of the staff members superannuation fund.

The loading can be part of a salary sacrifice packaging arrangement.

Leave

Any outstanding annual or long service leave owing to the staff member will be paid to the staff member at their substantive rate of pay prior to the **conclusion** of the Pre retirement contract.

A pre retirement contract will only be entered into by mutual agreement between the University and the employee. The decision by the employee to accept a Pre retirement contract will be voluntary, and there shall be no duress or pressure to enter into such a contract.

Pre retirement contracts will be offered to employees on the basis of their substantive position.

Termination of pre retirement Contracts

A pre retirement contract can be terminated by :

- **Agreement between the parties**
- The effluxion of time (the date of expiry is reached)
- In accordance with the provisions under the Macquarie University Enterprise Agreement

Employees on a pre retirement contract are ineligible for severance pay or redundancy payments.

It is the employee's responsibility to seek independent financial and superannuation advice prior to entering into a Pre retirement contract.

Keywords	Pre retirement, Approval process
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Date Approved	3 September 2008
Approval Authority	Manager, Employee Relations
Date of Commencement	tba
Amendment Dates	
Date for Next Review	3 years from date of Commencement
Related Policies, Procedures and Guidelines	Pre retirement Contract Policy
Policies Superseded by this Policy	List the policy, policies and / or previous authority superseded by this new policy

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