



RESERVE BANK

O F N E W Z E A L A N D

COLLECTIVE EMPLOYMENT AGREEMENT

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1. DEFINITIONS

The Bank is defined as the Reserve Bank of New Zealand.

The Union is defined as Finsec.

Salary is defined as 90% of total remuneration for employees who are eligible to be covered by this collective agreement. For the avoidance of doubt, for those staff covered by this Agreement, this definition of salary applies in respect of the Rules of the Reserve Bank of New Zealand Staff Superannuation Scheme and has the same meaning as the term “ordinary salary” under that Scheme. This definition of salary also applies to the Bank’s Retirement Gratuity policy.

For the purposes of this agreement, service with the Bank refers to current continuous service. For calculating annual leave service only, service will include periods of employment spent on secondment ('secondment' is a period spent in the employ of another organisation (either in New Zealand or abroad) at the request of the Bank.

2. PARTIES

This collective agreement is made pursuant to the Employment Relations Act 2000 between the Bank and Finsec jointly known as the parties.

3. APPLICATION

This agreement shall apply to and bind the parties and all employees who are or who become members of the union and whose work falls within the definition contained in clause 4 of this agreement.

4. COVERAGE

This Collective Agreement covers work performed by the incumbents of positions evaluated within the following bands and job families within the Bank’s job evaluation system:

| Job Family | Bands |
|--------------------|-----------------|
| Business Services | One, Two, Three |
| Information | One, Two |
| Management Support | One, Two, Three |
| Market Operations | One, Two, Three |
| Technical | One, Two, Three |

This excludes work performed by:

- Casual employees

- Temporary or fixed term employees unless they are employed by the Bank for more than 12 continuous months or who are covered by a contractual arrangement that extends their employment beyond 12 continuous months.

In addition to the above coverage definition there are several nominated individual employees whom the Bank agreed would be covered by this Collective Agreement, even though they are not within job families or bands outlined in the coverage clause of the Agreement. These employees will remain eligible for coverage by this agreement unless they choose not to be covered by this Collective Agreement by leaving Finsec or they change to another position or job band that falls outside the coverage of this Agreement.

The employees covered by this agreement on 16 March 2007 and who are members of Finsec are listed in Appendix D.

5. REMUNERATION

(a) Total Remuneration

Employees are paid on the basis of total remuneration according to the Bank's Remuneration Policy.

(b) Pay Ranges

Total remuneration pay ranges for jobs covered by the collective agreement are highlighted on the Bank's Intranet site and are reviewed annually. The total remuneration pay ranges at 1st April 2007 are:

| Job Family | Band 1 | | Band 2 | | Band 3 | |
|---------------------------|--------|--------|--------|--------|--------|--------|
| | Min | Max | Min | Max | Min | Max |
| Business Services | 26,000 | 36,000 | 30,000 | 48,000 | 42,000 | 60,000 |
| Management Support | 29,000 | 40,000 | 37,000 | 55,000 | 48,000 | 67,000 |
| Market Operations | N/A | N/A | 28,000 | 52,000 | 45,000 | 65,000 |
| Technical | N/A | N/A | 35,000 | 47,000 | 42,000 | 45,000 |
| Information | N/A | N/A | 30,000 | 43,000 | N/A | N/A |

(c) Pay Review April 2007

The pay review outlined in this clause will be applied to all staff covered by this collective agreement on 1 April 2007.

All employees covered by this agreement on the 1 April 2007 will receive a 3.00% pay increase except where the employee is already over their

maximum pay range or where the pay increase would take the employee over their maximum pay range.

Where the employee is already over their maximum pay range they will not receive a percentage increase but will instead receive a one off lump sum payment of 3.00%.

Where the pay increase would take the employee over their maximum pay range, the employee may choose to have either:

- a pay increase to the maximum of the pay range and the balance of the 3.00% as a lump sum payment, or
- no increase in their remuneration and receive a one off lump sum payment of 3.00%.

All employees covered by this agreement will receive a one-off gross lump-sum payment of \$250.00 in the first pay after 1 April 2007.

(d) Pay Review April 2008

The pay review outlined in this clause will be applied to all staff covered by this collective agreement on 1st April 2008.

All employees covered by this agreement on the 1 April 2008 will receive a 3.50% pay increase except where the employee is already over their maximum pay range or where the pay increase would take the employee over their maximum pay range.

Where the employee is already over their maximum pay range they will not receive a percentage increase but will instead receive a one off lump sum payment of 3.50%.

Where the pay increase would take the employee over their maximum pay range, the employee may choose to have either:

- a pay increase to the maximum of the pay range and the balance of the 3.50% as a lump sum payment, or
- no increase in their remuneration and receive a one off lump sum payment of 3.50%.

(e) Pay Date

Remuneration is paid fortnightly to a bank account nominated by the employee. Where the normal pay date falls on a public holiday, remuneration is paid one working day in advance.

(f) Higher duties allowance

Managers may approve the temporary appointment of an employee to perform all the duties and responsibilities of a higher banded position.

A higher duties allowance will apply where employees cover any period of higher duties for more than 10 consecutive working days. The higher duties allowance will then be paid with effect from the date that an employee began to cover the higher duties.

Provided the employee is carrying out substantially the same duties as those of the higher banded position, the allowance will be 10% of the employee's normal total remuneration, provided further that the total remuneration paid (including the higher duties allowance) shall not exceed the maximum of the pay range for the job role being covered.

Where employees are not carrying out substantially the same duties a lower allowance may be paid. If several employees are sharing responsibility for the higher duties the allowance may be split.

Where overtime is claimed during a period of higher duties, overtime will be paid on the basis of total remuneration and higher duties allowance (no overtime rate of total remuneration at time and a half to apply).

6. KIWISAVER

All employees covered by this agreement who join KiwiSaver will receive an employer subsidy in accordance with Bank policy. This is subject to KiwiSaver eligibility rules.

7. MILEAGE ALLOWANCE

- (a) Employees required to work, on weekends or public holidays, or required to return to work after they have left work at the end of their normal working pattern may claim a mileage allowance for use of their private car. Where employees do not have a car, or are unable to bring their car to work, they may take a taxi or public transport and claim a refund of the fare.
- (b) The mileage allowance rate is the tax-free rate set by the Inland Revenue Department and will change with any change made by the Inland Revenue Department.

8. HOURS OF WORK

(a) Hours

Full time employees work 37.5 hours per week based on a 7½ hour working day. Part time employees work hours specified in writing by the Bank in their letter of offer to the employee.

(b) Working Pattern

Employees will be required to work either Scale A, B, C or D hours and new employees will be advised of their working pattern in writing prior to employment. The pattern of hours offered to new employees will relate to the duties that they are initially employed to undertake.

Scale A

Employees work 7½ hours per day between 7.00am and 6.00pm on Monday to Friday each week.

Scale B

Employees work 7½ hours per day either between 6am and 9pm Monday to Friday each week (for those employed before 1st April 2001) or 7½ hours per day between 6am and midnight on Monday to Friday each week (for those employed since 1st April 2001). Where employees are required to commence work before 7:00am the Bank will pay for safe means of transport from home or provide a car park. Where employees are required to finish work after 7:00pm the Bank will pay for safe means of transport to home or provide a car park.

Scale C

This scale covers staff that work in the Note Operations area of the Bank where workflows are seasonal. Employees will work an extra hour per day during peak periods, 4 day 30 hour weeks during off-peak periods and some 5 days 37.5 hour weeks. The intention is for employees to have worked the equivalent of those on Scale A after a year. The change in hours does not affect the employee's salary, which shall continue to be paid fortnightly in equal instalments. The hours of work are shown in Appendix C and the arrangement will be reviewed annually by the parties.

If the Scale C employee resigns from the Bank or these arrangements are changed by mutual agreement by the parties any difference in hours worked as against hours paid at the employee's average hourly rate may be

recovered from the employee and, for that purpose, deductions may be made from payments of salary or other monies due to the employee. Should there be a surplus of hours worked as against hours paid the Bank will pay any difference to the employee at the employee's average hourly rate. In the case of an agreed change to these working arrangements payment will be made in the next available pay after agreement has been reached. In the case of resignation any difference will be paid out as part of final pay.

Scale D

Scale D hours only affect new staff hired on these conditions from May 2004 and staff on other scale hours that have elected to transfer to Scale D.

This scale covers staff that work in the Payment and Settlement Services area within the Financial Services Group. Employees work 7 ½ hours per day between 6 am and midnight on Monday to Friday each week.

The Continuous Linked Settlement (CLS) roster operates from 2.30 pm to 10.30 pm during summer months and from 12.30 pm until 8.30 pm during winter months. Staff will work the evening shift approximately once every 6 weeks. The following allowances are provided when working the evening shift.

- An evening shift allowance of 30% of total remuneration package payable when working the evening shift
- An on-call allowance of 5% of total remuneration package when designated as the backup to the employee who is rostered on the evening shift.
- If called on to work when they are the designated back-up person for the evening roster, the employee will receive the evening shift allowance of 30% of total remuneration package. The 5% on-call allowance will not be payable for that evening. The 30% allowance will be paid on the standard 7.5 hour day. After 7.5 continuous hours have been worked, the allowance will cease, and the employee will be paid at the rate of one-time-and-a-half for the remaining hours of that evening shift, for the CLS roster only.
- A meal allowance of \$12.50 for each night working the evening shift.
- A carpark will be available for employees working on the evening shift. If a private car is available, a taxi home will be provided, or the payment of a mileage allowance for the use of an employee's private car for the homeward bound trip. The taxi home and homeward mileage are limited to a maximum geographical location of Upper Hutt and Waikanae.

Breaks

The daily hours of work are continuous from the start time apart from a meal interval which must last at least half an hour and be taken at a time agreed by their manager. Where employees work more than 7½ hours, they may take a second meal interval at a time agreed by their manager before continuing work.

(c) Change of working pattern

Employees may occasionally be required to work outside their normal hours and this will be subject to the agreement of the manager and employee concerned.

Where a permanent change of working pattern is required this will be initiated by the manager via a written proposal to the employee with a copy sent to Finsec, followed by a meeting of all parties. Following discussion the manager will then finalise any change of hours proposal for the employee to consider. Any subsequently agreed change of hours must be signed by the manager and the employee. Employees will then be given at least two week's written notice of the change to the working pattern.

(d) Flexible Working Hours

Managers may allow flexible hours to be worked in accordance with Bank policy on Flexible Working Hours.

9. OVERTIME / TIME OFF IN LIEU

On occasion employees may be asked to work additional hours or respond to enquiries regarding work by telephone outside of their working hours. Where these circumstances arise overtime or time off in lieu may be claimed where approval has been given in advance by a manager.

(a) Any claim for overtime payment must be authorised by the manager and will be paid in the pay period following receipt by payroll of the overtime details.

(b) Authorised overtime can be claimed for any hours worked in excess of 75 hour per fortnight and will be paid at time and a half (1 ½) rate calculated on the following basis:

$$\frac{\text{Total Remuneration} \times 1.5}{(37.5 \text{ hours per week} \times 52 \text{ weeks per year})}$$

Part time employees who work in excess of their contracted hours are paid at their total remuneration hourly rate for the first 75 hours of work per fortnight.

- (c) Employees may alternatively choose to receive time off in lieu of overtime or the manager may agree a combination of time off and overtime payment.
- (d) Time off will be credited on the basis of a half day's leave for each two and a half hours of overtime worked and can be accumulated up to a maximum of five days. It must be taken at a mutually agreed time.
- (e) When employees are required to return to work after they have left work on weekdays at the end of their normal working pattern without prior notice they will be paid a minimum of two hours overtime inclusive of travelling time.

- (f) When employees are required to return to work on weekends or public holidays without prior notice will be paid a minimum of four hours overtime inclusive of travelling time.
- (g) No overtime shall be payable for hours worked in accordance with hours worked under Scale C. However, overtime/time off in lieu will be paid for work authorised that is in excess of the specified daily hours or outside of the span of hours detailed in Scale C at an hourly rate based on section (b).

10. LEAVE

(a) Public Holidays

In accordance with Section 7A of the Holidays Act 1981, employees are entitled to 11 whole holidays, if the public holiday concerned falls on a day that would otherwise be a working day for the employee. Where an employee is required to work on any part of a public holiday, they will be paid for their attendance on the basis of a total of one and a half times their relevant daily pay for the hours actually worked.

If an employee is required to work on a public holiday that would otherwise have been a working day for them, they will be entitled to an alternative holiday. If the public holiday worked is not a normal working day for the employee, there is no entitlement to an alternative holiday.

Employees may only work on a public holiday with the prior approval of their manager.

The public holidays are;

Christmas Day / Boxing Day / New Year's Day / The second of January / Waitangi Day / Good Friday / Easter Monday / Anzac Day / The Birthday of the Reigning Sovereign / Labour Day / Wellington Anniversary Day.

In the event of a public holiday, other than Waitangi Day or Anzac Day, falls on a weekend, it will be observed on the following Monday, and in the event of another public holiday being observed on the Monday, the holiday will be observed on the Tuesday.

Employees whose hours of work are set pursuant to Clause 7, Scale C of this collective agreement shall be entitled to 1 days paid alternative leave (at a time mutually agreed between the employee and employer) in lieu of Labour Day.

(b) Annual Leave

Employees who commenced with the Bank prior to 16 March 2003 – Fixed Annual Leave

For the first 5 years of service with the Bank full time employees are entitled to 17 days (20 days from 1 April 2007) paid annual leave per annum. After 5 years service with the bank, employees are entitled to 22 days per annum, and after 15 years service employees are entitled to 27 days per annum.

Part-time employees are entitled to the above annual leave on a pro-rated formula based on the contractual number of hours.

Employees who commenced with the Bank prior to 16 March 2003 may choose to move to the Flexible Annual Leave Scheme. Once this election has been made, the employee cannot revert to the Fixed Annual Leave entitlement.

Annual leave accrues on a fortnightly basis and employees may, with the prior approval from their manager, take leave as it accrues. Annual leave can be taken at a time that has been agreed between the employee and their manager. If the employee and manager are unable to agree on the timing, the Bank may direct the employee to take annual leave after consulting with the employee and giving one month's notice. Where the employee and the Bank agree, leave may be taken in advance.

Payment for annual holidays will be in the normal pay for the period during which the holidays are taken. This does not preclude the employee requesting holiday pay to be paid prior to going on annual leave should they wish to (for example, in the situation of a long period of annual holiday being taken).

Employees must take at least two weeks of their annual entitlement each year as one continuous holiday (this can include statutory holidays). Heads of Departments can exempt individuals where exceptional circumstances prevent staff from taking two weeks continuous leave.

Requests to accumulate up to a maximum of two years entitlement of leave will be considered.

In agreement with their manager, an employee may cash up accumulated leave in excess of 4 weeks, once each year. Requests to cash up accumulated annual leave are to be sent to Human Resources.

Scale C employees current annual leave balance and future annual leave entitlements will be converted to hours, rather than days, on the basis of 7½

hours for each day of annual leave. Leave taken will be deducted on the basis of the hours normally worked on the day leave is taken.

Employees who commence with the Bank on or after 16 March 2003 – Flexible Annual Leave

Employees are entitled to 4 weeks annual leave per annum.

Part-time employees are entitled to the above annual leave on a pro-rated formula based on the contractual number of hours worked.

There is no entitlement to cash accumulated annual leave.

Employees who commenced with the Bank prior to 16 March 2003 may choose to move to the Flexible Annual Leave Scheme.

Annual leave accrues on a fortnightly basis and you may, with prior approval from your manager, take leave as it accrues. Annual leave can be taken at a time that has been mutually agreed between you and your manager. If the employee and manager are unable to agree on the timing, the Bank may direct the employee to take annual leave after consulting with the employee and giving one month's notice. Alternatively, the Bank may direct you to take annual leave after consulting with you and giving you one month's notice.

Payment for annual holidays will be in the normal pay for the period during which the holidays are taken. This does not preclude the employee requesting holiday pay to be paid prior to going on annual leave should they wish to (for example, in the situation of a long period of annual holiday being taken).

Employees must take at least two weeks of their annual entitlement each year as one continuous holiday (this can include statutory holidays). Heads of Departments can exempt individuals where exceptional circumstances prevent staff from taking two weeks continuous leave.

Annual leave will be administered according to the Flexible Annual Leave Policy and you may request more leave each year in accordance with this policy. The accrual year for flexible leave will be 1 January to 31 December.

Scale C employees current annual leave balance and future annual leave entitlements will be converted to hours, rather than days, on the basis of 7½ hours for each day of annual leave. Leave taken will be deducted on the basis of the hours normally worked on the day leave is taken.

(c) Bereavement / Tangihanga Leave

Employees are entitled to take three days bereavement leave in each situation involving the death of a close relative and one day for other bereavements. At the discretion of the Bank, additional bereavement leave may be granted after consultation.

(d) Parental Leave

The provisions of the Parental Leave and Employment Protection Act 1987 shall apply (except for section 72(2)), and the Parental leave and Employment Protection (Paid Parental Leave) Amendment Act 2002 shall apply to employees covered by this agreement. In addition to the provisions of this Act, a lump sum payment of five days paid leave will be granted to employees. This leave may be extended to include adopted children, depending on the circumstances. When the five days paid leave is granted to a female employee the five days leave is part of and not additional to the entitlement to 14 weeks Maternity Leave.

Upon return to work following a period of parental leave, exceeding one month, an employee shall be granted an additional 5 days sick leave, which will be in addition to their usual sick leave entitlement. This will be done by increasing the sick leave balance by 5 days, irrespective of any maximum threshold that may exist. Such additional leave will be granted to only one parent in the event that both parents are employed by the Bank.

(e) Military Leave

The provisions of the Volunteers Employment Protection Act 1973 apply.

(f) Discretionary leave

Leave with or without pay may be granted for purposes other than those specifically prescribed in this agreement at the discretion of the Bank.

(g) Sick Leave

All employees on completion of one year's current continuous service with the Bank, in cases of illness, will be granted 10 working days' sick leave in each subsequent year of current service. An employee with more than one month but less than one year's current continuous service shall be granted sick leave at pro rata the above entitlement. Part time employees have a pro-rated entitlement, subject to a minimum of 5 days per year. Employees may take sick leave as it accrues through the year.

Leave required to care for a sick partner or dependent may also be debited against this sick leave entitlement. At the discretion of the Bank, additional paid sick leave may be granted in special circumstances.

Where employees are absent from work in excess of five consecutive days due to sickness the Bank may require employees to provide a medical certificate. In the case where the Bank has reason to believe that an absence may not be genuine, the Bank also has the right to refer employees to a medical practitioner nominated and paid for by the Bank.

Employees are able to accumulate sick leave up to a maximum of 90 days (pro-rated for part-time employees). At the discretion of the Bank, additional paid sick leave may be granted in special circumstances. There is no payment made for unused sick leave on termination of employment.

Employees shall ensure that notice is given to their manager by no later than 9.30 a.m. on the first day of absence.

Where an employee falls sick while on annual leave, the annual leave may be reinstated for the duration of the illness, provided a medical certificate is provided. A portion of the annual leave may also be reinstated if an employee's partner, dependent child or dependent parent falls sick while the employee is on holiday and is required to be cared for by the employee. A medical certificate, with full details of the illness must accompany all requests.

In situations where your Manager has approved for you to exceed your paid sick leave entitlement, any overpayment made may be recovered from you and, for that purpose; deductions may be made from payments of salary or other monies due to you, if you leave the Bank prior to moving back into a zero or positive balance.

11. REDUNDANCY

(a) General

As a result of a restructuring, reorganisation, review of work methods, review of staffing needs or similar causes, a surplus staffing situation may exist.

No severance or redundancy payment is payable at the completion of a fixed term of employment.

A surplus staffing situation is defined as existing when a position becomes superfluous to the need of the Bank due to the cessation or the transfer or outsourcing of the whole or any part of the Bank's operation, or where the employee's job function is no longer required.

(b) Process

When a surplus staffing situation exists the following options will be applied:

- i. Attrition - where employees leave their job their jobs may not be filled.
- ii. Redeployment - The Bank will endeavour to redeploy employees into other positions within the Bank. Employees may be offered a position in a lower band than their band. An employee who has been offered a position at a lower band than their personal band or a position on the same band that involves substantially different skills and responsibilities will have the choice of accepting or declining such an offer. If the offer is declined then the employee will be entitled to be treated as redundant or retired as appropriate. If the offer is accepted and employee's current remuneration is more than the maximum pay range for the new position their remuneration will be frozen for a year and will then move to the maximum of the pay range for the new position.
- iii. Retraining - where a skill shortage is identified employees may be offered retraining to meet the skill shortage. The Bank will determine and fund the full cost of any appropriate retraining. If employees decline

an offer of retraining they will be entitled to redundancy or retirement as appropriate.

- iv. Retirement.
- v. Redundancy will only be applied to a surplus staffing situation as a last resort. The Bank will endeavour to use all other options listed above to place staff before redundancy will be applied.

(c) Redundancy as a result of transferring or outsourcing any business or function of the Bank

Where the Bank makes a decision to transfer or outsource to another organisation (the “new employer”) any operation or business of the Bank (the “affected business”) the following provisions apply in addition to the options given in 10 (b) above:

- (i) Where practicable, affected employees will be consulted about any proposal to transfer or outsource the affected business.
- (ii) If the Bank proceeds with the proposed transfer or outsourcing, it will negotiate with the new employer with a view to endeavouring to have the new employer offer employees the same terms and conditions to those the employees are currently employed under [and recognising their service as continuous.]
- (iii) Employees will be advised of timeframes for such negotiation and of all aspects material to your continued employment.
- (iv) If the Bank arranges for a position to be transferred to the new employer an affected employee is entitled to choose whether or not to accept employment with the new employer.
- (v) If the new employer does not offer the affected employee employment on terms and conditions the same to those the employee is currently employed under, or does not recognise the employee’s services as continuous, and no redeployment within the Bank is available on the same terms and conditions, the affected employee will be entitled to redundancy compensation calculated in accordance with clause 10 (d).
- (vi) If an employee declines an offer of employment by the new employer on terms the same to those he or she is currently employed under the employee will not be entitled to any redundancy payment.

(d) Payments

Employees who are made redundant will receive payments as follows:

- i. Employees employed by the Bank prior to 1 April 1992 will receive a payment as set out in Appendix A.
- ii. Employees employed by the Bank on or after 1 April 1992 will receive a payment as set out in Appendix B.
- iii. Employees who are eligible for a retirement gratuity and are aged 50 years or over will have the option of either receiving a retirement gratuity based on the Bank's retirement gratuity policy or a redundancy payment as outlined in Appendix A or Appendix B.

If an employee who is 50 years of age or over and is eligible to have a retirement gratuity and elects instead to have a redundancy payment they will be entitled to all benefits under the retirement gratuity policy apart from the payment of the retirement gratuity.

Note:

- The period of service for calculating redundancy payments refers to current continuous service and excludes any periods of leave without pay.
- Payment will be calculated on the basis of 90% of total remuneration as set out in Clause 1 of this agreement.
- Payment will be pro-rated on a monthly basis for part years of service.

(e) Notification

The Bank will advise Finsec when attrition occurs.

The Bank will advise Finsec when surplus staffing situations have been identified after employees affected have been advised.

(f) Timing of Termination

Termination of employment will be one month from the date that the employee is informed that they will be required to retire early or take redundancy or at such other time as determined between the Bank and the employee.

(g) Superannuation

Employees to whom redundancy is applied and who are members of the Reserve Bank of New Zealand Staff Superannuation & Provident Fund will receive benefits as defined in the Rules of the Fund.

(h) Study Fees

Employees who are made redundant will not be required to refund any study or examination fees paid by the Bank on their behalf and the Bank will waive all bonding requirements for any employee who is made redundant.

(i) Support Services

Support services for affected employees and family will be made available as necessary. The type of support services that will be made available include individual counselling / assistance in preparing resumes and developing interview techniques / advice on stress management techniques and assistance with financial planning

(j) Hardship

The Bank will be prepared to consider cases of personal hardship on an individual basis.

12. HEALTH AND SAFETY

The Bank is committed to providing a healthy and safe working environment for all employees and in meeting this commitment will comply with all legislative requirements contained in the Health and Safety in Employment Act 1992. The Bank will ensure that an appropriate number of trained staff will be available to handle normal work flows and allow work breaks where employees are performing repetitive tasks

To assist the Bank in providing a safe working environment, employees are responsible for:

- Accepting responsibility for their own personal health and safety while at work
- Observing safe working practices
- Ensuring that an injury does not arise through their own action (or inaction) at work
- Promptly reporting any work-related accident to their manager
- Assisting in hazard identification and management in their work area
- Reporting to their manager any symptoms of an injury or illness as soon as they occur
- Ensuring work breaks are taken when performing repetitive tasks
- Observing the Bank's procedures in the event of an emergency
- Participating in any rehabilitation programme as required.

In the event that an employee suffers a work injury the Bank reserves the right to refer the employee to a medical practitioner nominated and paid for by the Bank.

13. SECURITY VETTING

At the beginning of, and in some cases during, employment with the Bank, employees will be required to complete security clearance application forms and pass security clearance checks. Employees are also required to notify the Bank of any relevant material fact to their employment both at the time of appointment or during the term of their employment with the Bank. Whilst it is not possible to detail all situations involving material facts two examples could include a conviction during employment or an inaccurate portrayal of qualifications and credentials at interview.

In the event that employees fail a security clearance or do not notify the Bank of any material fact relevant to their employment, the Bank will review the impact that this has on the employee's job role. Each situation will be looked at individually and the impact on the employee's job role considered.

14. DISPUTES / EMPLOYMENT PROBLEMS

This clause sets out the procedure to be followed where you consider an employment relationship issue has arisen. Examples of an employment relationship issue include:

- A breach of an employment agreement term
- A dispute over the interpretation, application or operation of an employment agreement.
- A personal grievance (eg, discrimination, sexual or racial harassment, issues related to union membership, unjustified dismissal, unjustified action).

If an issue has arisen during employment this should be raised with the Bank, via your manager, as soon as possible. If you are not comfortable raising the problem with your manager directly then you should raise it with your manager's manager or Human Resources. Notification should be in writing and should include the specific nature of the problem and the outcome sought.

Where you are asserting a personal grievance you must ensure you notify the Bank within 90 days of the action which caused the grievance so as to enable the grievance to be remedied as rapidly as possible. Failure to notify the Bank of the grievance within 90 days will mean the Bank is not obliged to consider the grievance, unless one of the stated exceptions in the Employment Relations Act 2000 apply.

Once an employment relationship issue has been raised, your manager or a delegated representative will meet with you for the purpose of discussing and attempting to resolve the issue. Both yourself and the Bank are obliged to try and resolve your issue in “good faith”. You can elect to bring a union delegate or other representative to this meeting and are encouraged to do so.

If the issue is not able to be resolved informally between you and the Bank, then assistance may be sought, by either party, from the mediation services provided by the Department of Labour.

If following assistance from the Department of Labour, the matter is still unable to be resolved either party may apply to the Employment Relations Authority for the matter to be heard and decided. If you are not satisfied with the decision of the Authority you can appeal your decision to the Employment Court.

Should you have an employment relationship problem there are number of places where you may seek advice, eg

- a) Finsec
- b) The Mediation Service
- c) Labour Inspectors
- d) The Human Rights Commission

15. UNION

a) Meetings

Union meetings may be held in accordance with the provisions required under ss 26 of the Employment Relations Act 2000.

The Union will provide the Bank with at least 7 days notice of any union meeting which may be reduced by mutual agreement.

b) Right of Entry

The authorised union representative may enter the Bank’s premises in accordance with the provisions required under ss 19 - 25 of the Employment Relations Act 2000.

The Bank will keep and allow the authorised union representative access to employee records as required under ss 130 and 236 of the Employment Relations Act 2000.

c) Union Fee Deduction

The Bank will deduct union fees for employees who are bound by this agreement and who provide the Bank with written authorisation to make such deductions from their pay. The Bank will not cease deducting union fees unless authorised in writing by the employee. The Bank shall remit the unions fees to the Finsec on a fortnightly basis.

d) Education Leave

The Bank will release employees bound by this agreement on paid education leave in accordance with the provisions required under ss 70-79 of the Employment Relations Act 2000.

16. SAVINGS

Nothing in this collective agreement shall operate to reduce the existing remuneration rate of any person employed at the coming into force of the collective agreement so long as they continue in the same position of employment.

17. ABANDONMENT OF EMPLOYMENT

Where an employee absents themselves from work for more than 3 days without notification to the Bank, the employee will be deemed to have terminated their employment without notice. This excludes situations where an employee was unable through no fault of their own to notify the Bank. The Bank will make reasonable efforts to contact any employee who is absent without notice. In the event of any dispute, the matter shall be dealt with under the Disputes Provisions of this agreement. Any absence without notification of 3 or less days may be dealt with in accordance with the Bank's disciplinary procedures.

18. NOTICE

Either party must give one month's notice of termination of employment, but this shall not prevent summary termination of employment without notice for serious misconduct. Notice may be reduced by mutual agreement.

Where either party fails to give the agreed notice period, the remuneration will be paid or forfeited in lieu of notice. Where the Bank is required to give notice, the Bank may pay remuneration in lieu of all or part of the notice period.

In situations of redundancy no notice is applicable under this clause and notice is set out under the Redundancy clause.

19. VARIATION OF AGREEMENT

Where the Bank or Finsec proposes a variation to this agreement, the following process will be followed:

- a) The party proposing the variation will provide the other party with a proposal in writing. The proposal will set out the variation that is sought.
- b) Following notification to the other party, a period of not less than two weeks will be allowed for consideration before the parties commence formal discussions about the proposal in an effort to reach agreement.

Any proposed variation would then go out for ratification by ballot whereby 60% of those employees covered by the collective agreement must vote and 50% plus one employee of those who vote, must vote in favour of the variation.

This excludes situations where an individual employee has negotiated terms that are not inconsistent with the collective agreement.

20. TERM OF AGREEMENT

The provisions of this agreement shall be deemed to have come into force on 16 March 2007 and shall remain in force until 15th March 2009.

NAME _____ NAME _____

TITLE _____ TITLE _____

Reserve Bank of New Zealand

FINSEC

DATE _____ DATE _____

—

—

APPENDIX A

REDUNDANCY PAYMENT SCALE

This redundancy payment scale applies to employees who commenced employment with the Bank prior to 1 April 1992.

| <u>No. of Years of Service</u> | <u>No. of Weeks Salary</u> |
|------------------------------------|--------------------------------|
| <1 | 8 |
| 1 | 12 |
| 2 | 15 |
| 3 | 18 |
| 4 | 21 |
| 5 | 24 |
| 6 | 27 |
| 7 | 30 |
| 8 | 33 |
| 9 | 36 |
| 10 | 39 |
| 11 | 41 |
| 12 | 44 |
| 13 | 47 |
| 14 | 50 |
| 15 | 52 |
| 16 | 54 |
| 17 | 56 |
| 18 | 58 |
| 19 | 60 |
| 20 and above | 62 |

Payment will be pro-rated for part years of service

APPENDIX B

REDUNDANCY PAYMENT SCALE

This redundancy payment scale applies to employees who commence employment with the Bank on or after 1 April 1992.

| <u>No. of Years of Service</u> | <u>No. of Weeks Salary</u> |
|------------------------------------|--------------------------------|
| <1 | 8 |
| 1 | 10 |
| 2 | 12 |
| 3 | 14 |
| 4 | 16 |
| 5 | 18 |
| 6 | 20 |
| 7 | 22 |
| 8 | 24 |
| 9 | 26 |
| 10 | 28 |
| 11 | 30 |
| 12 | 32 |
| 13 | 34 |
| 14 | 36 |
| 15 and above | 38 |

Payment will be pro-rated for part years of service.

APPENDIX C

Hours of work for employees covered by Clause 7 Scale C.

The employee shall work 7½ hours per day between 7.00am and 6.00pm on Monday to Friday, for the months of November and June.

From July to October each year the employee will work 7½ hours per day between 7.00am and 6.00pm, 4 days per week, each Tuesday, Wednesday, Thursday and Friday.

From December to May each year the employee shall work 8½ hours per day between 7.00am and 6.00pm, 5 days per week.

The change in hours does not affect the employee's salary, which shall continue to be paid fortnightly in equal instalments.

APPENDIX D

The following table lists the members of Finsec who are Bank employee's and eligible to be covered by this collective agreement on 16 March 2007.

| | |
|----------|------------|
| Lesley | Aston |
| Geoffrey | Auty |
| David | Blake |
| Clare | Blaylock |
| Glennis | Calaby |
| Mark | Galvin |
| Naina | Gandhi |
| Kevin | Haines |
| Bruce | Harrison |
| Lynda | Hoare |
| Gregory | Leech |
| Robert | MacInarlin |
| Cathe | Macris |
| Michal | Mendrun |
| Isoa | Sele |
| Judith | Simmonds |
| Maria | Stewart |
| John | Timperley |
| Rita | Utupo |
| Matthew | Wright |