

VOLUNTARY REDUCED WORKING YEAR PROCEDURE

SCOPE

This procedure applies to continuing and fixed-term staff herein collectively referred to as 'you' for the purpose of this procedure.

This procedure does not apply to seasonal and annualised hours professional staff members and academic staff under periodic academic employment.

In this procedure, the Enterprise Agreement means the [Monash University Enterprise Agreement \(Academic and Professional Staff\) 2019](#) or the [Trades and Services staff \(Building and Metal Trades staff\) 2009](#) or [Trades and Services staff \(Catering and Retail, Cleaning and Caretaking, and Miscellaneous services staff\) 2005](#) as applicable to you. Links to relevant clauses are included in the definitions of this procedure.

PROCEDURE STATEMENT

The purpose of this procedure is to outline the conditions (in addition to those detailed in the relevant enterprise agreement) and process for applying for a voluntary reduced working year.

1. Eligibility and conditions

- 1.1 In order to support staff with personal and/or family commitments and assist them to achieve work/life balance, Monash University ('us', 'our' or 'we') provides the opportunity for eligible staff to extend their leave options by applying for a reduced working year.
- 1.2 The voluntary reduced working year (VRWY) scheme allows you to reduce your working year by multiples of two weeks, up to a maximum of eight weeks within a nominated 12 month period. This enables you to apply for either two, four, six or eight weeks of additional leave with a proportionate reduction in salary spread over 12 months.
- 1.3 Additional leave purchased will not attract annual leave loading and must be taken during each 12-month period of the reduced working year arrangement.
- 1.4 The different VRWY options are detailed in the table below.

Voluntary Reduced Working Year	Additional leave
50/52 (50 week working year)	2 additional weeks of leave
48/52 (48 week working year)	4 additional weeks of leave
46/52 (46 week working year)	6 additional weeks of leave
44/52 (44 week working year)	8 additional weeks of leave

- 1.5 In order to be eligible for a VRWY, you must:
 - be a continuing or fixed-term staff member (full time or part time);
 - have at least 12 months remaining on your contract; and
 - not have any excess annual leave or excess long service leave balances.
- 1.6 If you opt into a VRWY scheme, you must use all annual leave accrued during the 12 month term of the VRWY as well as your additional VRWY leave.

2. Calculation of salary and entitlements

- 2.1 If you are participating in the VRWY scheme, your salary will be proportionately reduced over the 12 month term of the VRWY to offset your additional leave.
- 2.2 Other employment entitlements accrued during the term of the scheme, will be paid at the reduced rate during the 12-month term of the VRWY including (but not limited to):
- annual leave;
 - annual leave loading;
 - sick and carer's leave;
 - overtime payment; and
 - annual incentive payment (where applicable).
- 2.3 Long service leave accrued during the term of the scheme will be paid at the average service fraction over the leave accrual period.
- 2.4 For further information on the conditions of this scheme, refer to the relevant Enterprise Agreement.
- 2.5 The below example calculations are to be used as a guide only. For assistance calculating the impact a VRWY will have on your salary, contact Access HR on 03 9902 0400 or hr@monash.edu.

Full time staff (example)

Type of VRWY	Formula	Example <i>(based on ordinary salary of \$52,000)</i>
50/52	The new salary rate will be 96.15% of the ordinary salary.	$\$52,000 \times 0.9615 = \mathbf{\$50,000}$
48/52	The new salary rate will be 92.31% of the ordinary salary.	$\$52,000 \times 0.9231 = \mathbf{\$48,000}$
46/52	The new salary rate will be 88.46% of the ordinary salary.	$\$52,000 \times 0.8846 = \mathbf{\$46,000}$
44/52	The new salary rate will be 84.62% of the ordinary salary.	$\$52,000 \times 0.8462 = \mathbf{\$44,000}$

Part time staff (examples)

Type of VRWY	3 days per week <i>(based on ordinary salary of \$52,000)</i>	4 days per week <i>(based on ordinary salary of \$52,000)</i>
50/52	$\$52,000 \times 0.9615 = \$50,000$ $\$50,000 \times 0.6 \text{ FTE} = \mathbf{\$30,000}$	$\$52,000 \times 0.9615 = \$50,000$ $\$50,000 \times 0.8 \text{ FTE} = \mathbf{\$40,000}$
48/52	$\$52,000 \times 0.9231 = \$48,000$ $\$48,000 \times 0.6 \text{ FTE} = \mathbf{\$28,800}$	$\$52,000 \times 0.9231 = \$48,000$ $\$48,000 \times 0.8 \text{ FTE} = \mathbf{\$38,400}$
46/52	$\$52,000 \times 0.8846 = \$46,000$ $\$46,000 \times 0.6 \text{ FTE} = \mathbf{\$27,600}$	$\$52,000 \times 0.8846 = \$46,000$ $\$46,000 \times 0.8 \text{ FTE} = \mathbf{\$36,800}$
44/52	$\$52,000 \times 0.8462 = \$44,000$ $\$44,000 \times 0.6 \text{ FTE} = \mathbf{\$26,400}$	$\$52,000 \times 0.8462 = \$44,000$ $\$44,000 \times 0.8 \text{ FTE} = \mathbf{\$35,200}$

3. Superannuation

- 3.1 If you make standard member superannuation contributions as part of your defined benefit membership, you have the option to continue to make these contributions based on your full salary or based on the reduced VRWY salary. The table below details your superannuation options and the corresponding action made by Monash.

If you...	Then we will...
continue to make standard member contributions based on your full salary	continue to make employer contributions based on your full salary.
reduce your standard member contributions based on the reduced VRWY salary	make employer contributions based on the reduced VRWY salary.
do not make standard member contributions	

- 3.2 We encourage you to seek independent financial advice before entering a VRWY scheme.

4. Applying for VRWY scheme

- 4.1 To apply for a VRWY, you are required to complete the [VRWY online form](#). Your VRWY must commence at the beginning of a pay period.
- 4.2 You must discuss a plan with your supervisor detailing when and how you proposed to take your additional leave as both your supervisor and the head of unit will be required to approve your VRWY request.
- 4.3 The University may refuse requests for VRWY on reasonable operational reasons.

5. Taking leave

- 5.1 Once your VRWY has been approved, you are required to apply for leave in [ESS](#) using the appropriate leave type (50/52 leave, 48/52 leave, 46/52 leave or 44/52 leave) which is subject to your supervisor's approval.
- 5.2 All of your additional VRWY leave will become available to you at the commencement of the VRWY scheme.
- 5.3 If your leave plans change during your VRWY, you must discuss this with your supervisor as soon as possible. Together, you should establish a new plan in order to exhaust all your VRWY leave prior to the scheme expiry date. Once agreed, you must alter your VRWY leave dates in ESS.

6. Exiting the scheme

- 6.1 The VRWY scheme lasts for a period of 12 months and you will revert back to a standard 52 week working year at the end of the 12 month period. If you wish to renew your VRWY, you must submit a new [VRWY application](#).
- 6.2 If you have not used all of your VRWY leave by the end of the 12 month period, you must confirm with Monash payroll your unused portion of VRWY leave. This notification must occur prior to the end date of your VRWY scheme. Monash payroll will then calculate your pro-rata reimbursement.
- 6.3 If there is any VRWY leave not taken by the end of the scheme period, you may not be eligible to apply for a VRWY arrangement the following year. In order to avoid this, please use all of your VRWY leave before using other types of leave. VRWY leave will not be carried over to the following year.
- 6.4 In the instance where your employment ceases part way through a VRWY arrangement, we will reconcile the leave taken and deductions made as at the date of separation. Where you owe money to Monash, we will write to you about the options available for repayment. Where we owe you money, you will receive a lump sum payment as part of your final pay.
- 6.5 Lump sum payments are taxed at marginal rates and may not attract superannuation.

7. Breach of procedure

- 7.1 We treat any breach of our policies or procedures seriously. We encourage reporting of concerns about non-compliance and manage compliance in accordance with the applicable Enterprise Agreement or contract terms.

DEFINITIONS

Enterprise Agreement	<p>The Enterprise Agreement means the:</p> <ul style="list-style-type: none"> • Monash University Enterprise Agreement (Academic & Professional Staff) 2019 or the • Trades and Services staff (Building and Metal Trades staff) 2009 or the • Trades and Services staff (Catering and Retail, Cleaning and Caretaking, and Miscellaneous services staff) 2005 <p>as applicable to the staff member.</p> <p>Clauses relating to this procedure include:</p> <p>Monash University Enterprise Agreement (Academic and Professional Staff) 2019</p> <ul style="list-style-type: none"> • Clause 33 - Voluntary Reduced Working Year <p>Monash University Enterprise Agreement (Trades & Services Staff- Building & Metal Trades Staff) 2009</p> <ul style="list-style-type: none"> • Clause 53 - Voluntary Reduced Working Year <p>Monash University Enterprise Agreement (Trades and Services Staff - Catering and Retail, Cleaning and Caretaking, and Miscellaneous Services Staff) 2005</p> <ul style="list-style-type: none"> • Clause 44 - Voluntary Reduced Working Year
Excess annual leave	For professional and academic staff, is annual leave which is accrued beyond the maximum permissible limit of 30 days (or pro rata for part-time staff). Trades and services staff should refer to the relevant enterprise agreement for excess annual leave provisions.
Excess long service leave	For professional and academic staff, is long service leave which is accrued beyond 136.5 calendar days (19.5 weeks), or pro-rata for part-time staff. Trades and services staff should refer to the relevant enterprise agreement for excess long service leave provisions.
Standard member contribution	Members of UniSuper's Defined Benefit Division contribute member contributions at the standard rate of 7% of superannuable salary. Members may have reduced the 7% member contributions under UniSuper's contribution flexibility arrangements or salary packaged this contribution.
Employer contributions	Members of UniSuper's Defined Benefit Division receive superannuation contributions equivalent to 17% of superannuable salary from the University.

GOVERNANCE

Parent policy	Leave and wellbeing
Supporting schedules	
Associated procedures	<ul style="list-style-type: none"> • Annual leave • Excess annual leave • Salaries, Allowances and Loadings <p>Procedure forms</p> <ul style="list-style-type: none"> • VRWY online form • ESS • Application for Leave and Special Leave [Online]
Legislation mandating compliance	
Category	Operational
Approval	Chief Human Resources Officer – 12 February 2020
Endorsement	Director, Workplace Relations – 12 February 2020
Procedure owner	Chief Human Resources Officer
Date effective	12 February 2020



Review date	4 December 2021
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Content enquiries	ask.monash or phone Monash HR on (03) 990 20400