STATUTORY INSTRUMENTS

1990 No. 927

TERMS AND CONDITIONS OF EMPLOYMENT

The Guarantee Payments (Exemption) (No. 27) Order 1990

Made - - - -	*18th April 1990*
Coming into force -	*21st May 1990*

Whereas the lay-off and short-time agreement made between the parties described in Schedule 1 to this Order on 12th January 1990 is a collective agreement ("the collective agreement"):

And whereas the collective agreement makes provision whereby employees to whom that agreement relates have a right to guaranteed remuneration:

And whereas the parties to the collective agreement made application to the Secretary of State under section 18(1) of the Employment Protection (Consolidation) Act 1978 **(a)** ("the Act"):

And whereas the collective agreement complies with section 18(4) of the Act:

And whereas the Secretary of State, having regard to the provisions of the collective agreement (which so far as are material are set out in Schedule 2 to this Order), is satisfied that section 12 of the Act should not apply to those employees:

Now, therefore, the Secretary of State, in exercise of the powers conferred on him as the appropriate Minister under section 18(1) of the Act and of all other powers enabling him in that behalf, hereby makes the following Order:–

Citation and commencement

1. This Order may be cited as the Guarantee Payments (Exemption) (No. 27) Order 1990 and shall come into force on 21st May 1990.

Exemption

2. Section 12 of the Act shall not apply to any employee to whom the collective agreement relates.

Signed by order of the Secretary of State.

Patrick Nicholls
Parliamentary Under Secretary of State,
Department of Employment

18th April 1990

(a) 1978 c.44.

SCHEDULE 1

PARTIES TO THE COLLECTIVE AGREEMENT

1. The employer:
   G. & G. Kynoch plc.

2. Representing employees:
   The Transport and General Workers' Union.

SCHEDULE 2

LAY-OFF AND SHORT-TIME AGREEMENT

(a) Employees who are not provided with work throughout a normal working day are entitled, under certain conditions, to be paid a guaranteed payment by their employer, as required by the existing statutory guarantee payment provisions.

(b) It is intended that the Company's lay-off agreement will replace the existing guarantee payment provisions. The Company will pay lay-off pay to employees on short-time working at a rate of £2.28 per hour up to a maximum of the equivalent of two working weeks in any six month period. For 39 hour workers, the maximum entitlement in any six month period will be twice their normal weekly hours, at £2.28 per hour. For the purposes of this agreement, short-time working will include any reduction in the Company's requirements for work which leads to a lay-off or reduction in the normal working week. This is based on the Company's minimum wage grade which is subject to an annual review on the 1st May.

(c) The conditions of the Company's lay-off agreement are as follows:–

1. The agreement will apply to individuals, with reference to each employee's pattern of work.
2. Lay-off will only be paid in respect of a complete working day lost. It will not be paid in respect of a day in which some work is provided. The Company endeavour to provide a minimum of 4 hours' work on any shift the employee is requested to work.
3. A day is defined as the period of 24 hours from midnight to midnight. A shift straddling midnight will be treated as falling wholly on the second day if more hours are worked on the second day, and vice versa.
4. An employee is not entitled to a guaranteed payment in respect of a workless day, when it is in consequence of a trade dispute involving an employee of his employer. Nor is he entitled to a guaranteed payment if he unreasonably refuses alternative employment for that day, which is suitable in all circumstances, whether or not it is work which the employee is, under his contract, employed to perform.
5. The following categories of employee are not eligible:–
   (i) Anyone with less than one month's continuous service on the first day of lay-off.
   (ii) Employees employed for a fixed term of three months or less.
6. The Company will endeavour, should this agreement be required to be used, to implement a shorter working week, i.e. 4 day or 3 day working, before a complete week's shutdown, if circumstances permit.

Employees who do not receive lay-off pay to which they consider they are entitled can appeal using the Company's normal grievance procedure, within three months of the day or week in question. However, should there be a "failure to agree" registered after this procedure the employee has the right to arbitration or adjudication by an independent referee or body. This may be done by presenting an appeal to an industrial tribunal that the employer has failed to pay the whole or part of any guaranteed remuneration. No employee will receive less favourable terms of payment under this agreement than he/she would have received under the Government's guaranteed payment scheme.

EXPLANATORY NOTE

(This note is not part of the Order)

This Order, which comes into force on 21st May 1990, excludes from the operation of section 12 of the Employment Protection (Consolidation) Act 1978 employees to whom the lay-off and short-time agreement made between the parties described in Schedule 1 to the Order relates.

Copies of the Agreement are available for inspection between 10am and noon and between 2pm and 5pm on any weekday (except Saturdays) at the offices of the Department of Employment, Caxton House, Tothill Street, London SW1H 9NF.