

## 1977 No. 1601

## TERMS AND CONDITIONS OF EMPLOYMENT

## The Guarantee Payments (Exemption) (No. 13) Order 1977

Made - - - 4th October 1977

Coming into Operation 4th November 1977

Whereas the Agreement dated 29th March 1977 between the Multiwall Sack Manufacturers Employers' Association and the National Union of General and Municipal Workers, the Society of Graphical and Allied Trades and the Transport and General Workers' Union is a collective agreement which makes provision whereby employees to whom the said agreement relates have a right to guaranteed remuneration:

And whereas the parties to the said collective agreement (whose descriptions are set out in Schedule 1 to this Order) all made application to the Secretary of State under section 28(1) of the Employment Protection Act 1975(a) ("the Act"):

And whereas the Secretary of State, having regard to the provisions of the agreement (which so far as are material are set out in Schedule 2 to this Order), is satisfied that section 22 of the Act should not apply to those employees:

And whereas the said agreement complies with section 28(4) of the Act:

Now, therefore, the Secretary of State in exercise of the powers conferred on him as the appropriate Minister under section 28(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. 13) Order 1977 and shall come into operation on 4th November 1977.

*Interpretation*

2.—(1) The Interpretation Act 1889(b) shall apply to the interpretation of this Order as it applies to the interpretation of an Act of Parliament.

(2) The "exempted agreement" means the Agreement dated 29th March 1977 between the Multiwall Sack Manufacturers Employers' Association and the National Union of General and Municipal Workers, the Society of Graphical and Allied Trades and the Transport and General Workers' Union.

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(a) 1975 c. 71.

(b) 1889 c. 63.

*Exemption*

3. Section 22 of the Act shall not apply to any person who is an employee to whom the exempted agreement relates.

Signed by order of the Secretary of State.  
4th October 1977.

*Harold Walker,*  
Minister of State,  
Department of Employment.

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**SCHEDULE 1****PARTIES TO THE COLLECTIVE AGREEMENT**

1. **Representing employers:**  
the Multiwall Sack Manufacturers Employers' Association.
2. **Representing employees:**  
the National Union of General and Municipal Workers;  
the Society of Graphical and Allied Trades;  
the Transport and General Workers' Union.

## SCHEDULE 2

## MATERIAL PROVISIONS OF THE COLLECTIVE AGREEMENT

**GUARANTEED WEEK BENEFIT****1. Purpose of this Agreement**

The purpose of this Agreement is to provide a measure of protection for employees against loss of earnings when no work is available or possible for a variety of reasons, and to specify the detailed conditions under which that protection will be available. Except where otherwise provided, the terms of the Guarantee Payments of Employment Protection Act 1975 shall apply.

**2. Qualifications**

Any hourly-rated employee will qualify for Guaranteed Week Benefit who:—

(a) has a minimum of 4 weeks' continuous service with the same employer

and

(b) is available for, capable of and willing to perform such work as is required, either in his own or in an alternative job,

(c) is not a temporary employee (i.e. a person with a fixed term contract of employment of 12 weeks or less).

**3. Guaranteed Week Benefit**

Weekly earnings are guaranteed, subject to the conditions laid down in this Agreement, at 100% of the figure obtained by multiplying the basic time rate per hour, and, where appropriate, the shift differential, by the number of hours of the contracted week. Where earnings calculated on this basis are not reached during any week in which the Guaranteed Week Benefit is payable, the amount of benefit shall be that required to make up the difference. Bonus, overtime premium and other plus payments shall not be included in either calculation.

**4. Payment of Benefit**

(a) When there is no work due to:—

(i) a fall-off in orders,

(ii) a shortage or restriction in raw materials or other vital services,

(iii) industrial action by any group of workers not covered by this Agreement,

(iv) industrial action by any group of workers in membership of Unions signatory to this Agreement but not working in the Industry;

then benefit will be payable to an individual employee of up to a maximum of an amount equal to 160 hours at basic time rate plus, where appropriate, shift differential in a period of 52 weeks commencing on 1st September.

(b) When there is no work due to industrial action within the plant or outside the plant but within the Industry by any group of workers covered by this Agreement, or in membership of Unions signatory to this Agreement, then benefit will not be payable.

(c) Where circumstances arise outside the control of Management and employees of such a nature as to make payment under this Agreement impracticable, then benefit will not be payable.

**5. Re-arrangement of Hours**

(a) The Unions and their members will co-operate in the immediate re-arrangement of working hours where such re-arrangement would enable production to be maintained or increased up to the normal level. Where such co-operation is unreasonably withheld benefit will not be payable.

(b) (i) The pay arising from re-arranged hours shall be the basis for comparison in determining the amount, if any, of Benefit due for the week in which such re-arranged hours are worked, save that bonus, overtime premium and other plus payments shall be disregarded if and where paid during such re-arranged hours.

(ii) The normal overtime provisions shall apply where re-arranged hours are worked in respect of hours in excess of the normal number of contracted hours for the day or shift if a week-day or in respect of all hours normally qualifying for premium time at a week-end. Where appropriate shift differential will be paid.

**6. Miscellaneous Provisions****(a) Holidays**

Where a holiday or holidays falls or fall in a contracted week during which Guaranteed Week Benefit would otherwise be payable, the contracted hours for that week shall be reduced by the number of hours normally worked on the day or days of such holiday

**(b) Absence**

Where an employee is absent from work on account of certified sickness, injury, disciplinary suspension or holiday during which Guaranteed Week Benefit would otherwise be payable, the contracted hours for that week shall be reduced by the number of hours involved.

Benefit for that part of the contracted week that the employee is available to work will be paid only if the reason for the absence is recognised as valid by the Management. In the absence of such a reason the employee will forfeit Benefit for that week.

**(c) Deductions**

Normal deductions as made from wages shall be made from the Guaranteed Week Benefit.

**(d) Sectional Application**

Guaranteed Week Benefit shall be payable only in those sections of a plant where work is not available or possible as designated by Management and work shall continue normally in those sections of any plant where work is available or possible. Benefit will be calculated and paid on an individual basis.

**(e) Future Legislation**

Payments made under this Agreement shall be offset against any payments required to be made under future legislation designed for the same or similar purpose as this Agreement.

**7. Interpretation**

Any dispute arising from this Agreement shall be dealt with under the Recognition and Procedure Agreements between the parties to this Agreement. Any employee may refer a complaint concerning guaranteed remuneration to which the employee is entitled under this Agreement to an industrial tribunal.

**8. Duration**

This Agreement will be effective from date of registration and may be terminated by either party on giving no less than six months' notice in writing to the other party. Should this Agreement be terminated, the parties agree that the terms of Guarantee Payments as provided in sections 22 to 28 of the Employment Protection Act 1975 shall immediately apply.

**9. Legal Enforceability**

This Agreement is made in good faith by both parties on behalf of the Association and the Unions as representatives of employers and work people concerned, with the full intention that they shall honour its provisions, but it is not intended to be legally enforced.

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**EXPLANATORY NOTE**

*(This Note is not part of the Order.)*

This Order excludes from the operation of section 22 of the Employment Protection Act 1975 employees to whom the Agreement dated 29th March 1977 between the Multiwall Sack Manufacturers Employers' Association and the National Union of General and Municipal Workers, the Society of Graphical and Allied Trades and the Transport and General Workers' Union relates.

Copies of the Agreement are available for inspection between 10 a.m. and noon and between 2 p.m. and 5 p.m. on any week-day (except Saturdays) at the offices of the Department of Employment, 8 St. James's Square, London SW1Y 4JB.

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