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**Australia's leading industry  
severance scheme**

- > tax free payments for genuine redundancy
- > employee choice of severance account type
- > employee income protection (for injuries outside of work)
- > superior employee injury and illness insurance benefits

# Protecting the Value of Your Business

For more than ten years, Protect has been setting the pace for industry severance schemes with higher employee member benefits and access to tax-free redundancy payments.

The superior benefits of the Protect severance scheme and Protect injury and illness insurance means Protect is the industry scheme preferred by an ever-growing number of electrical workers and employers throughout Australia.

Each year, more employers recognise the value that being a Protect participating employer can add to their business. With critical electro trades skills shortages in many industry sectors, Protect participation safeguards the investment in your skilled workforce and is a proven competitive advantage in recruiting and retaining valued employees.

Protect is now backed by the group purchasing power of more than 24,000 members and more than 1,000 participating employers in many diverse industries including construction, service maintenance, manufacturing, rail, power, supply and distribution and oil and petrochemical.

## JOINING PROTECT

To join Protect, you must pay severance and/or insurance contributions to us on behalf of your employees, in accordance with an Electrical Trades Union enterprise agreement. When you join Protect, you will receive online access to your account via a secure web portal. Our innovative e-commerce solution simplifies the payment of monthly contribution returns and minimises the administration burden for employers.



**“ Protect severance and income protection insurance is definitely an important part of the total employment package. Protect coverage is a benefit that employees look for, and it’s also important for employers to know that your workforce will be looked after. ”**

Peter Smith, General Manager, PSG Elecraft

## Protect's Genuine Redundancy Account can increase the value of your employees' severance benefit by nearly a third.



## Protect Severance

Today, Protect is Australia's only industry severance scheme offering employee members the choice of two account options including access to significant tax concessions if their job is made redundant.

Each week, participating employers make severance contributions to Protect on behalf of their employees. The amount each employer is required to contribute is determined by an ETU enterprise agreement.

Protect severance benefits are held in trust and are capital guaranteed. So unlike superannuation or shares investments, Protect members can rest assured that their severance entitlements will not be hit by market downturns.

Employer severance contributions to Protect provides individual workers with peace of mind and supports your business to attract valued employees in a competitive environment.

Additionally, the Fair Work Act and Modern Awards contain redundancy clauses which entitle workers to redundancy payments commensurate with the number of years served with their employer. Protect contributions offset the amount contained in these clauses and, in many cases, employee entitlements are covered entirely by the severance contributions made by participating employers.

Managing your legal and industrial employee redundancy obligations through Protect also makes good business sense. Protect participation can help your business manage its cash flow and severance liabilities and, as your payments to Protect are tax deductible\*, your business may benefit from the bringing forward of tax savings.

\* Note: The above does not constitute tax advice and you should consult independent business tax advice before claiming a tax deduction.

**“Protect severance provides individual employees with financial security. Our industry is very cyclical, when downturns happen employees know they can access their Protect severance and they will be okay until the next job comes along. The reality is that if you have a workforce that feels secure, that is a more productive workforce.”**

**Peter Smith, General Manager, PSG Elecraft**

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# Protect Severance Account Options

**Protect is Australia's only industry severance scheme that offers employee members two severance account options including access to tax-free payments if their job is made redundant.**

Protect members can choose to have their severance entitlement administered as either a:

- Termination account or
- Genuine redundancy account

When an employee member is first registered with Protect, the default severance option is a Protect Termination account. If an employee member chooses to have their severance entitlement administered as a Protect Genuine Redundancy account, this is an irrevocable selection.

Individual employee members need to complete a Protect Genuine Redundancy nomination form to select this account type. To obtain a copy of the nomination form, members should contact Protect.

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## TERMINATION ACCOUNT

If an employee member's severance entitlement is administered as a Protect Termination account, he or she will be eligible to claim a payment from their account if they:

- leave a Protect employer for any reason - including if they resign, their contract ends, their job is made redundant or their employment is terminated

- leave the industry, their new employer does not have an EBA obligation to Protect, or they are appointed to an above-Award position (not on the tools)
- retire and are at least 55 years old or
- die

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## GENUINE REDUNDANCY ACCOUNT

Protect has worked hard to maximise the severance benefits payable to members whose jobs are made redundant. A Protect Genuine Redundancy account can increase the severance entitlement payable to an employee member by nearly a third.

But only if a member chooses this account option and their position is later made redundant by a Protect employer. Protect members must choose this account option prior to their position being made redundant and, once chosen, they cannot change their severance account type at a later date.

If an employee member's severance entitlement is administered as a Protect Genuine Redundancy account, he or she will be eligible to claim a payment from their account if they:

- are less than 65 years old and their job is made redundant
- retire and are at least 55 years old or
- die



# Protect Injury and Illness Insurance

**Protect administers Australia's best personal injury and illness insurance cover for workers. Our comprehensive policy includes global income protection, 24 hours per day, 7 days per week, for covered employee members who are unable to work, due to a non-work-related accident or illness.**

Protect personal injury and illness insurance supports your employees to return to safe work as soon as possible. Our insurance cover reduces the financial and emotional impacts on injured workers, and their families, and helps them to recover and return to normal life.

Protect injury and illness insurance provides:

- weekly income protection payments of up to \$1200\*, for a maximum of 104 weeks
- transport accident / workplace injury top-up benefits
- lump sum death and injury benefits including:
  - accidental death (up to \$275,000, paid to an employee's dependants or nominated beneficiaries)
  - serious trauma
  - broken bones (for non-work-related injuries)
  - accidental dental injury benefits (also available for eligible dependants)

- additional insurance benefits such as return to work and rehabilitation assistance, emergency home help, funeral expenses, domestic duties assistance and travel expenses for medical and rehabilitation appointments

*\*Note: Maximum income protection benefit rates may differ for some major projects and with some participating employers, check with the National Electrical Contractors' Association or Electrical Trades Union in your State.*

For serious accidental injuries, Protect's insurance lump sum payments can be more than double the insurance benefits provided by similar industry schemes.

Participating employers can also request that Protect injury and illness insurance cover is extended to non-executive directors, office staff, supervisors and other employees. Protect income protection and insurance is a highly valued employment benefit that can safeguard the investment in your skilled workforce and significantly boost the recruitment and retention efforts of your business.

**For more details about Protect injury and illness insurance, visit our website at [www.protect.net.au](http://www.protect.net.au) or contact our insurance provider, ATC Insurance Solutions on tel: 1800 994 694 (freecall).**

**“Protect Injury and Illness Insurance provides great cover and is a much better deal than employees having to take out their own income protection insurance. Protect provides great financial security and peace of mind for your employees and helps employers to retain key staff. You know if you have an injured employee who is off work long-term and covered by Protect, you are not going to lose that employee. When they are fit, they will return to work because Protect has seen them through.”**

Gavin McKay, Managing Director, Gordon McKay Ltd



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# Significant Improvement Underway at Protect

**The Protect severance scheme keeps ahead of the pack by drawing on the best professional advice and introducing new initiatives to benefit both members and participating employers.**

In recent months, we have implemented the following changes at Protect:

- new publications - we have updated our member and participating employer brochures to include more comprehensive information on Protect severance and Protect injury and illness insurance
- new website - our new website has significantly more content and an improved design to make it easier for you to find the information you need; visit us now at [www.protect.net.au](http://www.protect.net.au)

- regular member statements - we are now issuing printed membership statements every six months to ensure your employees are informed and value their severance entitlements
- direct management of severance administration - Protect is continuing to make a substantial investment in the implementation of new processes and systems as part of our direct management of the scheme severance administration

The changes at Protect are part of our commitment to ensure the scheme is responsive to the needs of participating employers and employee members.

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# On-line Administration Reduces Paper Workload

In recent years, we have reduced the paper workload for employers through the introduction of electronic banking and administration access. A secure website portal allows Protect employers to lodge monthly Contribution Return payments via Electronic Funds Transfer (EFT) - improving the accuracy of reporting and ensuring that funds are allocated promptly to employee member accounts.

Protect's Business Support and Training Consultant is available to assist employers who wish to lodge their Contribution Returns and paperwork online. A highly qualified and experienced trainer, Protect's Business Support consultant works side-by-side with employers and accounts staff to provide businesses with the skills to move to a more productive e-commerce solution.

Make the move to electronic banking and on-line lodgement of your Protect Contribution Returns. Contact Protect now for a training consultation and ensure your Contribution Returns are always up to date and compliant.

For more information or to book a complementary training consultation, contact Protect on [1300 344 249](tel:1300344249).

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# Automated Arrears Advice

**Employer contributions are due on the first day of the following month and must be paid by the 14th day of that month. For example, June employer contribution returns are due on 1 July and payable by 14 July.**

Protect is legally obliged to ensure that participating employers comply with their severance and insurance contribution requirements and to advise employee members of instances of non-compliance. If employer contributions are in arrears, this can jeopardise workers' severance or insurance entitlements.

Last year, the Protect Board introduced a new automated arrears process to inform employers, and their affected employees, if an employer's severance/insurance contributions are overdue or associated paperwork is incomplete.

Training for businesses wishing to move to an e-commerce solution is part of Protect's collaborative approach to better support employers in managing their severance obligations. With electronic banking and online administration via a secure web portal, it's now easier than ever for employers to keep their Protect Contribution Returns and paperwork up to date.

