

Redundancy, Redeployment and Retrenchment

FAQs

Q1. How do I know my job has been made redundant?

A: When your job is made redundant you will be notified by IAG in writing.

Q2. When does the Job Search period begin and what does that mean?

A: As soon as you receive notification in writing that your job has been made redundant the Job Search period begins. The Job Search period will last for a minimum of 3 months and may be extended by agreement between you and IAG.

During the Job Search period both you and IAG will actively seek alternative employment. If you and IAG agree you may shorten this period and leave with your retrenchment package. If the job search period begins after you have been notified that your position has been made redundant then your notice period will begin during the Job Search period.

Q3. Can I take time off during the notice period to go to job interviews and will I get paid for this?

A: Yes. You are allowed to take reasonable time off, as agreed between you and your manager, during the notice period to seek new employment.

Q4. What is Suitable Alternative Employment and do I have to accept a role I am offered?

A: Suitable Alternative Employment means:

- a position which is at the same classification level and salary; and
- is a position which you have the skills and experience to perform to a reasonable standard; or
- a position that you should be able to perform to a reasonable standard after a period of training and time in the job; and
- is at the same location or within reasonable distance and travelling time taking into consideration your usual travel arrangements.

If you are offered Suitable Alternative Employment and you do not accept it then IAG will consider your refusal to accept as a resignation and you will not be entitled to a retrenchment package.

Q5. What is a Position at a Lower Salary and do I have to accept one?

A: A Position at a Lower Salary is a role that is at a lower salary than your current role. There is no obligation to accept a Position at a Lower Salary. If you are considering accepting a Position at a Lower Salary you can choose to undertake a 3 month trial before accepting

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that position, however there is no obligation on you to accept the role. If you do accept a Position at a Lower Salary your salary will not be reduced as a result of accepting the position, however if it is not possible for IAG to maintain your existing salary you may still accept a position at a lower salary. If your salary is reduced during the trial period your retrenchment payment will be calculated on your salary immediately prior to commencing the trial.

Q6. What if I don't agree that a role is Suitable Alternative Employment?

A: If you think that the job you have been offered does not meet the definition of Suitable Alternative Employment then the dispute resolution procedure outlined in the IAG EA applies. In the first instance you need to attempt to resolve the dispute with your manager, and if that doesn't work, then you can raise the dispute with your manager's manager. You can request assistance from the FSU at any time.

Q7. I am being retrenched. How much notice should I get?

A: If IAG is unable to find you Suitable Alternative Employment you will be retrenched and paid a severance payment. You will be given notice of retrenchment. The notice period you will get depends on your age and length of service.

If you have less than 25 years service the notice period is 8 weeks from the date you are formally notified in writing that you will be retrenched.

If you have more than 25 years of service or you are over 45 years of age the notice period is 12 weeks from the date you are formally notified in writing that you will be retrenched. You should expect to work through your notice period, however if you find another job, or leave before the completion of your notice period, then you are still entitled to your severance payment, however you will forfeit the balance of the notice period that you have not worked. IAG may elect to pay you out your notice period if IAG determines it is appropriate for business reasons that you not work during this period.

Q8. I am being retrenched. What severance payment am I entitled to?

A: If IAG is unable to find you Suitable Alternative employment you will be retrenched and paid a severance payment. This is calculated based on your years of service with IAG and is outlined below. The severance payment is in addition to any outstanding annual leave or long service leave entitlements.

Each completed year of service – 3 weeks pay
Maximum payment of 75 weeks (not including the notice period)

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Q9. I have had some periods of full time work and some periods of part time work, how does this impact my severance pay?

A: If you have had periods of full time and part time work, your payment will be calculated on a pro-rata basis with respect to the period of full time and part time work. Casual service is not recognised for this purpose.

Q10. What type of support can I expect to get from IAG during this period?

A: Outplacement support will be offered to you through an external outplacement organisation. Where you request it, IAG will provide you with counselling and financial planning services at no cost to you.

In recognition of the loss of accrued sick/ carer's leave entitlements following retrenchment IAG will provide income protection insurance to you if:

- You have been retrenched from IAG;
- You had 10 years or more continuous service with IAG at the time of retrenchment; and
- Gain permanent employment with a new employee within 12 months of your retrenchment from IAG.

In order to be eligible for income protection insurance you must:

- Notify IAG that you have gained employment with another employer within 14 days of commencing your new job;
- Provide evidence satisfactory to IAG of your employment; and
- Advise IAG of the date your employment commenced.

The income protection insurance provided by IAG will be:

- Based on your IAG Base Salary immediately prior to retrenchment;
- For a period of 12 months from your start date in your new job; and
- In respect of loss of income arising from illness or injury in accordance with the terms of the policy taken out by IAG.