

Redundancy, Redeployment and Retrenchment

What is Redundancy?

Redundancy may occur when IAG restructures its business and as a result your position at IAG ceases to exist because it is no longer needed. Examples of when redundancy may occur:

- (a) a position no longer exists, eg where the duties performed in a position are no longer required to be performed by anyone;
- (b) a location closes and all positions at that location are potentially redundant;
- (c) fewer Employees are required to do the available work, eg reducing Employee numbers to meet customer demands or work levels;
- (d) jobs at a particular level are substantially changed or restructured, advertised, filled and one or more Employees remain unplaced.

Redundancy happens to a role, not to a person

Job Search (avoiding retrenchment)

An Employee who is notified that their position will be made redundant will commence a job search period. Where possible this period will be prior to their position becoming redundant.

- (a) In cases where a job search period is prior to a position being made redundant:
 - (i) the job search period will be a minimum of three months; and
 - (ii) may be extended by agreement between IAG and the Employee.
- (b) In cases where a part of the job search period is after the position is made redundant the portion of the job search period which falls after the position is made redundant will be no longer than three months unless a longer period is agreed between IAG and the Employee.
- (c) During the job search period IAG and the Employee will actively seek alternative employment.
- (d) If the Employee and IAG agree, the job search period may be shortened and the Employee may leave with a retrenchment package.
- (e) An Employee's job search period will be inclusive of their notice period set out in clause 6.5 of the enterprise agreement.

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Redundancy, Redeployment and Retrenchment (Con't)

Suitable Alternative Employment

Suitable Alternative Employment means a position which:

- is in the same classification level and does not involve a reduction of salary; and
- is a position which the Employee has the skills and experience required to perform the role to a reasonable standard; or
- is a position for which the Employee 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 is within reasonable distance and travelling time from the Employee's place of residence, taking into consideration the Employee's usual travel arrangements.

Position at a Lower Salary

Where an Employee accepts a position, to which a lower salary level applies, the Employee's salary will not be reduced as a result of accepting the position. However, if it is not possible for IAG to maintain an Employee's existing salary, an Employee may still elect to accept a position at a lower salary.

Notice Period is a period of eight weeks commencing on the date you are formally notified in writing that you will be retrenched. If you have more than 25 years service or are over 45 years of age the notice period will be twelve weeks. If your job search period did not begin prior to formal notification of retrenchment then the job search and notice period will overlap. The Notice Period will be paid on your Base Salary plus shift allowance, penalty or loading regularly paid for working your ordinary hours on Saturdays, Sundays, public holidays, or for late or early starts and is inclusive of any notice period under this Agreement or NES.

Retrenchment means the termination of your employment by IAG as a result of Redundancy and where suitable alternative employment has not been found. Retrenchment is not a first option for either IAG or you.