

KNOW YOUR rights

REDUNDANCY



**TO PROTECT &
IMPROVE YOUR
ENTITLEMENTS BE
AN ACTIVE UNION
MEMBER**

**Please discuss
any problems with
your shop steward
or ring the union
on 03 9387 0189**



**COMMUNICATION
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HOW DO REDUNDANCIES WORK IN AUSTRALIA POST?

Management and the union over many decades have worked hard to avoid Compulsory Redundancies. Up until the current CEO, there were always clauses in our EBAs that stated 'workplace changes would be managed without resort to compulsory retrenchment.'

Although this re-assurance is no longer in writing; to date, there have not been compulsory redundancies in Australia Post, and we want to keep it that way.

The Redundancy, Redeployment and Retraining (RRR) Agreement covers this area. It is part of the Australia Post Enterprise Agreement 2013. The Agreement applies when there is a 'potential redundancy situation.'

DEFINITION OF REDUNDANCY

Redundancies may arise in a number of circumstances, including where:

- (i) the number of staff exceeds that required for the efficient and economical operation of the enterprise or parts of the enterprise; and*
- (ii) staff cannot be used effectively because of technological or other changes in work methods, or changes in the nature, location, extent or organisation of the functions of Australia Post.*

Accordingly, a potential redundancy situation will be deemed to exist where operational requirements of Australia Post for employees to carry out work of a particular kind have ceased, or significantly diminished, and Australia Post has determined that the function being undertaken by an employee, will no longer be undertaken within Australia Post, or at that location by Australia Post.

Note that there is a clause in the EBA that limits contracting-out – Clause 7.9.1 states: "Australia Post agrees that contractors will not be used as a means of pursuing a reduction in wages and conditions of Australia Post employees or altering Australia Post's commitment to providing opportunities for its employees."

There are two types of redundancies – 1) situations where specific identification of the position is possible, and 2) when a number of positions at the same level are surplus and the individual positions cannot be identified clearly.

There has to be a consultative phase where there is discussion about whether or not the position is surplus, (2 weeks in clearly identified positions and 3 weeks in group situations) and then the employees may be advised as to whether they want to elect to be retrenched voluntarily following a one week cooling-off period from the date of the advice. If the employee so elects, retrenchment will be effected 4 weeks after the end of the cooling off period, or at an earlier date by mutual agreement.

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When there is a redundancy within a group, ranking for a VRP has always been by seniority of service with Australia Post.

Note that people do not have a right to a voluntary redundancy package. Management have got the right to retain necessary skills and expertise.

REDEPLOYMENT - Under certain circumstances, management can insist that the staff member accept a redeployment rather than a redundancy. This has to be 'a reasonable' job offer – usually 30 kilometres or 30 minutes from your previous workplace is accepted as reasonable with the pay and conditions being comparable.

A person under the RRR process is given priority consideration for any vacancies at their substantive position. Jobs should not be advertised until any suitable redeployees have been considered. You have the right to a reasonable period of training and experience. It is important not to apply for lower grade positions as you will not be paid salary maintenance. If you are told to work at a lower level while you are seeking a position at your nominal level then your salary will be maintained.

HOW ARE VRPS CALCULATED?

- 4 weeks' pay for the first 5 years of service or any years worked while over the age of 50.
- And then 3 weeks' pay per year for the remainder of your service with Australia Post
- Up to a maximum of 84 weeks
- You also receive pro-rata long service leave after one year's service, even if you haven't finished 10 years' service if you are made redundant.

FINANCIAL ADVICE - It is important to obtain financial advice before deciding to take a VRP. Most employees are still on APSS Superannuation – a defined benefit fund. This is paid-out according to a formula where the Final Annual Salary is measured on your birthdate. Australia Post will reimburse up to \$150 towards the cost of receiving independent financial advice to assist you in deciding whether or not a VRP is your preference. The union has a Financial Advisor whom we trust: Mark Whelan Review Financial Group 1300 273 8439

There are also outplacement services that are available from Transition@auspost.com.au.

SALARY MAINTENANCE - The salary for surplus employees who do not elect to take a VRP must be maintained unless the staff member has refused a reasonable opportunity for placement at their nominal level.

Maintenance of higher duties for surplus employees is paid: If you have been on short-term higher duties (up to 6 months) the salary maintenance will continue for the previously authorised higher duties period. If you have been on long term higher duties (e.g. you have had 12 months higher duties in the previous 14 months) then your salary is maintained for 12 months. If it is less than this then it continues for 6 months.

DISPUTE SETTLEMENT - The union would ask members to always inform the union by signing a **Form B** which management need to provide to the union if the staff member agrees to inform the union of their name and details. This allows us to know what is happening. On several occasions management have neglected to consult with the union about down-sizing. The dispute-settling clause in the RRR Agreement is a simple and effective one – if management and the union cannot settle a dispute between them it can be referred to the Fair Work Commission and we agree to abide by any recommendation made by the FWC in settlement of the dispute.

NO RETURN POLICY - Employees who depart Australia Post by way of redundancy will not be re-employed by Australia Post unless the CEO gives specific approval in special cases.