

AUSTRALIA POST REDUNDANCY/REDEPLOYMENT/RETRAINING AGREEMENT

1. INTRODUCTION

- 1.1 This agreement has been negotiated between Australia Post and the CEPU and CPSU acting as a single bargaining unit on behalf of award-based members of all Australia Post unions, and will apply to all such persons from 10 February 1993.

2. OBJECTIVES

- 2.1 In negotiating this agreement, the parties have sought to achieve:

- (i) a process through which job security can be maintained for as many Australia Post employees as possible and any necessary retrenchments will be voluntary, as far as is practicable;
- (ii) the provision of fair compensation for employees whose employment with Australia Post ceases through retrenchment;
- (iii) a proper process for the consideration of alternative employment opportunities for excess employees whose genuine desire is for alternative employment within Australia Post; and
- (iv) involuntary retrenchment from Australia Post only for those excess employees for whom reasonable alternative employment is not available.

- 2.2 The arrangements described in this agreement provide for voluntary retrenchment in all circumstances other than where an employee refuses redeployment, retraining, relocation or transfer to another position, or where, after a comprehensive three month examination, an alternative placement is not able to be found.

3. DEFINITION OF REDUNDANCY

- 3.1 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.

- 3.2 Accordingly, a potential redundancy situation will be deemed to exist where the 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.

4. ENTITLEMENT TO VOLUNTARY RETRENCHMENT

- 4.1 While this agreement provides avenues by which employees may be selected for voluntary retrenchment or elect to be retrenched voluntarily, it is noted that there is no automatic right to voluntary retrenchment.
- 4.2 Australia Post specifically reserves the right to reject applications for voluntary retrenchment having regard to its overall staffing requirements and the need to retain necessary, key skills and expertise, for the ongoing viability of the organisation.

5. PROCEDURES FOR DEALING WITH SURPLUS STAFF SITUATIONS

- 5.1 The procedures for dealing with surplus staff situations depend on whether the surplus positions can be clearly identified.
- 5.2 Section 6 deals with those situations where specific identification of the position is possible (which includes circumstances where all positions, at a particular level, at a single location, are surplus).
- 5.3 Section 7 outlines the arrangements to be followed when a number of positions at a level are surplus and the individual positions cannot be clearly identified.

6. CLEARLY IDENTIFIED SURPLUS POSITIONS

- 6.1 Australia Post will simultaneously advise the State Branch of the appropriate union and the occupant of the position that the position/s is excess to requirements. This advice will be provided through Forms A and B (attached). One copy of Form B shall be provided in relation to each surplus position.
- 6.2 All relevant information is to be provided to the union and will include classification, location and details of the employee and, where consequential changes in staffing structures are proposed, the number and classification of employees in that part of Australia Post, the number and classification of employees expected to be required for the performance of any continuing function in the part of Australia Post affected, and details of the employees likely to be affected.
- 6.3 If required, discussions with the relevant union will conclude within two weeks of the provision of advice in Forms A and B but, with Australia Post's agreement, may be extended on a case by case basis.
- 6.4 The discussions with the relevant union shall include the background to the surplus staffing situation, the measures, if any, which could reduce the incidence of employees becoming surplus to requirements, and any planned recruitment.

- 6.5 Once the consultative phase is completed and there is confirmation that the position is surplus, or where the union has confirmed that there is no need for discussion, Australia Post may proceed immediately to advise the employee that he/she may elect to be retrenched voluntarily following a one week cooling off period from the date of advice. If the employee so elects, retrenchment will be effected at the conclusion of the formal notice period (four weeks after the end of the cooling off period), or at an earlier date by mutual agreement.
- 6.6 Where redeployment and/or retraining is the employee's preference, Australia Post will take all available steps to secure such an outcome. The measures to find a suitable position will include full discussions with the individual on all available options across the whole Australia Post organisation. The union will be involved in those discussions except where the individual indicates that this is not necessary - such involvement should not delay the process. Where there is a vacancy which would permit the redeployment and/or retraining of an employee surplus to requirements, and more than one employee makes application for the vacancy, the redeployee (or most efficient redeployee), will be selected, unless he/she is assessed as not competent for the job.
- Where an employee, other than an employee identified for redeployment, is prepared to accept management initiated retrenchment, Australia Post shall retrench that employee to allow redeployment of an employee identified for redeployment or retraining. This will occur within the restrictions outlined in section 4.2 above. In addition to established redeployment mechanisms, which will be activated automatically, the employee will be afforded opportunities to investigate personally employment options inside Australia Post and, where approved by management, outside Australia Post. If requested, personal development training will be made available to the individual to assist in this process.
- 6.7 After a one month investigation of all available options, or sooner if agreed, Australia Post may initiate redeployment of an employee to another position/location, the function of which the employee is reasonably capable of undertaking, after receipt of necessary training and experience.
- 6.8 Redeployment involving a change in domicile is to be avoided wherever possible. Such offers of redeployment are not to be made with the objective of having an employee refuse an alternative placement.

Where however the only available change in position involves relocation, and the new work location is of such a distance from the employee's residence as to necessitate a change of domicile, standard relocation arrangements will apply. Employees who do not wish to be relocated can elect to take a retrenchment package.

7. SURPLUS POSITIONS WHICH CANNOT BE CLEARLY IDENTIFIED

- 7.1 Australia Post will advise the State Branch of the appropriate union that a number of positions are surplus to requirements. This advice will be provided through Form A (attached) and a general advice of surplus positions will be provided to employees in the class or classes of positions at the location/s concerned.
- 7.2 All relevant information is to be provided to the union and will include classification, location and details of the employee and, where consequential changes in staffing structures are proposed, the number and classification of employees in that part of Australia Post, the number and classification of employees expected to be required for the performance of any continuing function in the part of Australia Post affected, and details of the employees likely to be affected.
- 7.3 Discussion with the appropriate union shall conclude within three weeks of advice on Form A but, with Australia Post's agreement, may be extended depending on the numbers of positions and complexity of the issues to be addressed.
- 7.4 The discussion with the relevant union shall include the background to the excess staffing situation, the measures, if any, which could reduce the incidence of employees becoming excess to requirements and any planned recruitment.
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- 7.5 Where the outcome of consultation with the union is confirmation that the positions are surplus, Australia Post may invite all affected employees at that level (or levels) to volunteer for retrenchment.
- 7.6 Within the specifically reserved right of Australia Post to refuse any application for voluntary retrenchment, the ranking of volunteers will give priority to staff with the longest period of service. Ranking, however, should also have regard to age, job skills, the practicability of redeployment, relocation, retraining and personal circumstances on an individual basis.
- 7.7 Once a ranking has been established in accordance with section 7.6, the employee(s) will be advised formally that they may elect to be retrenched voluntarily following a one week cooling off period from the date of the advice. Retrenchment will be effected at the conclusion of the formal notice period (four weeks after the end of the one week cooling off period), or earlier by mutual agreement.
- 7.8 If the number of volunteers is less than the number of excess staff the redeployment and/or retraining measures outlined in section 6.6 apply.

8. INVOLUNTARY RETRENCHMENT

- 8.1 Where an employee refuses a management initiated redeployment decision made in accordance with this agreement, the employee may be retrenched involuntarily after a period of two weeks from the advice of the management initiated transfer.

- 8.2 Where it has not been possible to identify suitable redeployment after a three month investigation and no prospect of such redeployment is identifiable, the employee may be retrenched involuntarily after a period of two weeks following advice to the employee and concurrent advice to the relevant union. Payment of four weeks wages will be made in lieu of notice plus the other retrenchment payments provided for in this agreement.
- 8.3 A retrenchment under section 8.2 can be effected only where the General Manager, or the Group Manager, Human Resources in respect of Headquarters staff, certifies that:-
- (i) a minimum 3 month investigation of suitable redeployment opportunities has proceeded across all designation categories of the Corporation;
 - (ii) such investigation has failed to identify a suitable opportunity, including through the voluntary retrenchment of another employee; and
 - (iii) Australia Post has concluded that the employee is not capable of being redeployed or retrained to any other position in the Corporation.
- 8.4 (a) While all action to identify suitable redeployment opportunities and to place surplus employees may be activated at the commencement of this agreement, there shall be no involuntary retrenchment under sections 8.2 and 8.3 before 10 February 1994.
- (b) This moratorium on involuntary retrenchment does not apply to temporary part-time staff unless they have previously been given no retrenchment assurances.
- 8.5 Where, but for Australia Post's refusal to accept an application for voluntary retrenchment for another employee engaged in the same work, at the same level and in the same location, a surplus employee could have been placed, that employee will not be retrenched involuntarily.
- 8.6 Without in any way limiting any rights under the Australian Industrial Relations Act, an employee affected by a decision that he/she be involuntarily retrenched will be informed that he/she has a right to have the decision reviewed by a Board of Reference established under the Industrial Relations Act, subject to such application being made within a two week period from the date of notification of the decision.
- 8.7 The Board of Reference shall seek to resolve any such applications for review having regard to whether the action was harsh, unreasonable, unjust or unfair.
- 8.8 Where an employee seeks review of a decision that he/she be involuntarily retrenched, the Board of Reference will expeditiously hear the matter and recommend confirmation, or if it finds that the management certifications have been inappropriately made, revocation of the decision.

- 8.9 An involuntary retrenchment will be stayed pending the outcome of the Board's considerations.

9. SALARY MAINTENANCE

- 9.1 The salary of an employee who is identified as surplus to requirements and who does not elect to accept voluntary retrenchment shall be maintained at the level prescribed for the nominal classification of that employee for at least two years from the date of formal notice that the employee is surplus to requirements. An individual review will take place of any excess staff who have been received salary maintenance for two years. No redeployee however will have his/her salary maintenance ceased unless he/she has refused a reasonable opportunity for placement at their nominal level.

- 9.2 For the purposes of section 9.1, salary maintenance will include normal incremental advancement through the former salary range and future wage adjustments awarded to the classification of the position the employee was occupying immediately before the position was declared surplus to requirements.

- 9.3 Maintenance of higher duties for surplus employees will be paid in accordance with the following:

- (i) where, at date of redeployment, the redeployee is employed on short term higher duties (i.e. up to 6 months) the higher duties payment is to continue as income maintenance for the previously authorised higher duties period; or
- (ii) where, at the date of redeployment, the redeployee is employed on long term higher duties, the higher duties payment is to continue as income maintenance for 6 months. Except that, where an employee has accrued a minimum of 12 months higher duties service in the previous 14 months, higher duties payment is to continue as income maintenance for 12 months.

10. CONSEQUENTIAL CHANGES/STAFFING AGREEMENT

- 10.1 Notwithstanding the finalisation of redeployment or retrenchment under this agreement, the normal consultative/participative processes in respect of any consequential changes in staffing structures and the performance of any continuing functions in that part of Australia Post affected by the retrenchment(s) shall apply.
- 10.2 Nothing in this agreement shall be taken to infer that the unions have given up any rights in respect of consultation/negotiation concerning staffing and staffing structures. Accordingly, it is agreed between the parties that they will adhere to all existing staffing agreements.

11. BENEFITS

11.1 This new benefit framework has been developed on the basis that:

- (i) a comprehensive process for handling situations of redundancy in Australia Post in the future is essential to achieving the proper restructuring of the postal industry and to union acceptance of that restructuring; and
- (ii) Australia Post unions and the ACTU give a firm commitment not to seek flow of the arrangements elsewhere.

11.2 The proposed benefit framework is:-

- (i) four weeks pay for each completed year of continuous service up to five years plus a pro-rata payment for each completed month of continuous service since the last completed year of continuous service;
- (ii) three weeks pay for each completed year of continuous service thereafter, plus a pro-rata payment for each completed month of continuous service since the last completed year of continuous service;
- (iii) for employees over fifty years of age, four weeks pay for each year of service beyond fifty years of age including pro-rata adjustment for each completed month of continuous service since the last completed year of continuous service;
- (iv) the minimum sum payable under these arrangements, including any payment in lieu of notice (four weeks), is eight weeks salary and the maximum including any payment in lieu of notice (4 weeks), is eighty-four weeks salary; and
- (v) the sum payable to an employee under these arrangements shall not exceed the salary that would be payable were the employee to continue in employment until the maximum retiring age.

11.3 For the purpose of calculating any payment under section 11.2:

- (i) where an employee has been acting in a higher position for a continuous period of at least twelve months immediately preceding the date on which the employee receives notice of retrenchment the salary-level shall be the employee's salary in such higher position at that date;
- (ii) where an employee during fifty percent or more of pay periods in the twelve months immediately preceding the date on which the employee receives notice of retrenchment, has been paid an allowance for shift work, the weekly average amount (calculated over a year) of shift allowance received during the twelve month period shall be counted as part of "weekly salary";

- (iii) other allowances, being allowances in the nature of salary, may be included with the approval of Australia Post.

12. ANNUAL LEAVE AND LONG SERVICE LEAVE

- 12.1 Recreation leave, leave bonus and long service leave entitlements will be paid in accordance with the prescribed entitlements.
- 12.2 While normally employees are not entitled to pro-rata long service leave until they have accrued ten years continuous service, employees retrenched under this agreement shall on termination receive payment for an amount equivalent to pro-rata long service after one year's continuous service.

13. USE OF SICK LEAVE

- 13.1 The formal notice period provided under the arrangements will be extended by any periods of certificated sick leave taken during such period.

14. AGREEMENT NOT TO PREVENT OTHER ACTION

- 14.1 Nothing in this agreement may be used to circumvent existing Australia Post staff mobility agreements or to prevent the reduction in classification of an employee or the retirement of an employee as a result of action under discipline, invalidity, inefficiency or loss of essential qualification provisions.

15. SUPERANNUATION

- 15.1 All standard superannuation entitlements will apply to employees retrenched under these arrangements.

16. RIGHT OF RETURN TO APS

- 16.1 The acceptance of voluntary retrenchment automatically severs any entitlement to return to the Australian Public Service a former Commonwealth employee may have. Any surplus employee with such rights contemplating a return to the APS should seek information from the Public Service Commission either direct or through his/her staff clerk without delay, as time limits apply.

17. CONTINUOUS SERVICE

- 17.1 For the purposes of this Agreement, "continuous service" includes service with other Commonwealth Employing Authorities, or service with the Defence Forces which is recognised for long service leave purposes by Australia Post provided that:

- (i) there has been no break in the successive periods of service; and

- (ii) service with a former employer was not terminated because of retrenchment; retirement on the grounds of invalidity, inefficiency or loss of essential qualification; forfeiture of office, dismissal on disciplinary grounds; termination of probationary appointment because of unsatisfactory service; or voluntary retirement at or above the minimum retiring age applicable to the employee. Receipt of retirement superannuation benefits is a conclusive indication of age retirement.

18. CESSATION OF OTHER PROVISIONS

- 18.1 At the date of introduction of this Agreement, entitlements to other retrenchment benefits will cease and the parties will take action to have the existing Redundancy Awards covering Australia Post repealed.

19. DISPUTE SETTLEMENT

- 19.1 During the period of the Agreement any disputes or problems over the application or interpretation of the Agreement shall be resolved in accordance with the Joint Statement of Understanding.
- 19.2 Where the consultative processes contained in the Joint Statement of Understanding fail to settle a dispute on matters arising from implementation of this Agreement, the parties agree to refer the matter to the Australian Industrial Relations Commission (AIRC) and will abide by any recommendation made by the AIRC in settlement of the dispute.

20. PERIOD OF OPERATION

- 20.1 The period of operation of the Agreement shall be from the date of certification by the Australian Industrial Relations Commission to 20 April 1996.

21. PARTIES TO THE AGREEMENT

Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia (CEPU)

Community and Public Sector Union (CPSU)

Association of Professional Engineers, Scientists and Managers of Australia (APESMA)

Australian Workers Union (AWU)

Australian Manufacturing Workers Union (AMWU)

Media, Entertainment and Arts Alliance (MEAA)

**SITUATIONS OF POTENTIAL REDUNDANCY:
GENERAL NOTIFICATION**

1. DATE OF ADVICE:
2. AREA/S AFFECTED:
3. PROPOSED COMPLETION DATE:
4. POSITIONS IDENTIFIED AS EXCESS:
(Existing Organisation Chart/s to be attached)
 - 4.1 LOCATION/S:
 - 4.2 NUMBER OF POSITIONS:
 - 4.3 CLASSIFICATION/S:
 - 4.4 EXPLANATION OF REASON/CAUSE AND WORKLOAD IMPACT:
(this explanation should address future workload)
5. CONSEQUENTIAL STAFFING STRUCTURE-STAFF REQUIRED
FOR CONTINUING FUNCTIONS IN AREA AFFECTED:
(Proposed Organisation Chart/s to be attached)
 - 5.1 NUMBER OF POSITIONS:
 - 5.2 CLASSIFICATION/S:

**SITUATIONS OF POTENTIAL REDUNDANCY:
INDIVIDUAL POSITION SURPLUS TO REQUIREMENTS**

1. DATE OF ADVICE:

2. DESIGNATION:

3. POSITION NO:

4. REASONS WHY:

5. OCCUPANT:

(I) NAME:

(II) SEX:

(III) AGE:

(IV) YEARS OF SERVICE:

(V) WORK TELEPHONE NO:

(VI) HIGHER DUTIES:
(past 14 months)

(VII) REDEPLOYMENT PROSPECTS:

OUTCOMES OF DISCUSSIONS WITH UNION:

JOINT STATEMENT OF UNDERSTANDING

Australia Post and the APTU agree that the future viability of the enterprise is critically dependent on it enjoying a reputation for reliability and efficiency in providing service to customers.

To enhance its reputation and protect its viability, Australia Post and the APTU have commitment to identifying any areas where interpersonal relations and industrial relations and their effect on staff morale are unsatisfactory and implementing appropriate remedial action.

The parties agree that pre-emptive industrial action must be avoided in favour of a mechanism which allows local unresolved problems to be raised to higher levels for resolution.

Similarly, the parties agree that management should not implement contentious decisions without adequate consultation and where necessary relevant issues should be referred to higher levels for consultation.

Agreements negotiated at the national level are not to be re-negotiated at the State or local level.

To achieve these goals the parties agree to the following principles and processes of participative management:

1. Effective local consultative arrangements are to be put in place and middle managers, supervisors and staff are to be assisted and encouraged to participate more in the problem-solving and decision-making at their own workplace.
2. Effective, 2-way communication with staff is to take place and first line/middle managers are to be assisted and encouraged to play a greater role.
3. Adequate training is to be given to those management, supervisors and staff involved in participative groups to enable them to talk meaningfully to each other and to identify, analyse and resolve problems.
4. The reasons for changes affecting the workplace are to be clearly explained to and discussed with all staff prior to implementation.
5. Contentious decisions or implementation difficulties arising out of National agreements are to be referred to higher levels before implementation so that consultation can take place at those levels.
6. The roles and functions of various management levels and union representatives need to be clearly documented and respected.

The parties agree that priority needs to be given to putting the above principles into effect and national and State groups will be established to lead and monitor resultant action.