

Senate Standing Committee on Environment and Communications

Answers to Senate Estimates Questions on Notice

Budget Estimates Hearings May 2014

Communications Portfolio

Australia Post

Question No: 250

Program No: Australia Post

Hansard Ref: In Writing

Topic: Staffing Reductions

Senator Ludwig asked:

1. How many staff reductions/voluntary redundancies have occurred from 25 February 2014 to date? What was the reason for these reductions?
2. Were any of these reductions involuntary redundancies? If yes, provide details.
3. Are there any plans for further staff reductions/voluntary redundancies? If so, please advise details including if there is a reduction target, how this will be achieved, and if any services/programs will be cut.
4. If there are plans for staff reductions, please give the reason why these are happening.
5. Are there any plans for involuntary redundancies? If yes, provide details.
6. How many ongoing staff left the Department/Agency from 25 February 2014 to date? What classification were these staff?
7. How many non-ongoing staff left Department/Agency from 25 February 2014 to date? What classification were these staff?
8. What are the voluntary redundancy packages offered? Please detail for each staff level and position
9. How do the packages differ from the default public service package?
10. How is the Department/Agency funding the packages?

Answer:

The following details relate to Australia Post (excludes subsidiaries):

1. 81 employees left Australia Post by means of voluntary redundancy.
2. None of the 81 redundancies were involuntary.
- 3-5. Following a review within the business it has been determined that the number of staff exceeds the number required for efficient and economical operations. Australia Post plans to reduce the size of its headquarters and administration by around 900 roles and to direct valuable resources to support frontline customer services and initiatives. This change program will occur over the next 12 months, with most of the changes occurring prior to October 2014.
6. 507 permanent staff left the organisation. Australia Post does not use APS classifications. Classifications are determined as per the Australia Post Enterprise Bargaining Agreement.
7. 139 non-ongoing staff left the organisation. Australia Post does not use APS classifications. Classifications are determined as per the Australia Post Enterprise Bargaining Agreement.

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8. For Award employees the redundancy benefit is calculated as per the Australia Post Enterprise Bargaining Agreement. Section 11 indicates;

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 (four 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

Sub-clause 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.

For contract level employees a similar method of calculating is used but the maximum benefits vary dependent on terms of individual contracts.

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9. As a Government Business Enterprise, Australia Post is not subject to the Australian Public Service Commission requirements.
10. Australia Post set aside a redundancy provision in June 2014 to fund known redundancy requirements in 2014/15.