

APPROVED
15 APR 2021

OPERATIONAL FROM
22 APR 2021

EXPIRES
31 DEC 2023

IAG

Enterprise Agreement 2020

Fair Work Act 2009
s.185—Enterprise agreement
Insurance Australia Group Services Pty Limited,
Insurance Manufacturers
of Australia Pty Limited T/A IAG
(AG2020/4195)



**Finance
Sector Union**



DECISION

Fair Work Act 2009
s.185—Enterprise agreement

**Insurance Australia Group Services Pty Limited, Insurance Manufacturers
of Australia Pty Limited T/A IAG**
(AG2020/4195)

IAG ENTERPRISE AGREEMENT 2020

Banking finance and insurance industry

DEPUTY PRESIDENT CROSS

SYDNEY, 15 APRIL 2021

Application for approval of the IAG Enterprise Agreement 2020.

[1] An application has been made for approval of an enterprise agreement known as the *IAG Enterprise Agreement 2020* (the Agreement). The application was made pursuant to s.185 of the Fair Work Act 2009 (the Act). It has been made by Insurance Australia Group Services Pty Limited and Insurance Manufacturers of Australia Pty Limited T/A IAG. The Agreement is a single enterprise agreement.

[2] I am satisfied that each of the requirements of ss.186, 187 and 188 and 190 of the Act concerning this application for approval have been met, with the provision of written undertakings addressing miscellaneous matters. Copies of the undertakings are attached to this decision and marked “Annexure A.” I note that the undertakings are taken to be terms of the Agreement.

[3] The Financial Sector Union, being bargaining representatives for the Agreement, have given notice under s.183 of the Act they want the Agreement to cover it. In accordance with s.201(2) I note that the Agreement covers those organisations.

[4] The Agreement was approved on 15 April 2021 and, in accordance with s.54 of the Act, will operate from 22 April 2021. The nominal expiry date of the Agreement is 31 December 2023.



DEPUTY PRESIDENT

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ANNEXURE A



IN THE FAIR WORK COMMISSION

FWC Matter No.:
AG2020/4195

Applicant:
Insurance Australia Group Services Pty Limited and Insurance Manufacturers of Australia Pty Limited (collectively, "IAG").

Section 185 – Application for approval of a single enterprise agreement.

Undertaking provided under section 190 of the *Fair Work Act 2009* (Cth)

I, Jennifer Delves of IAG give the following undertaking with respect to the *IAG Enterprise Agreement 2020* (the **Agreement**):

1. I have the authority given to me by IAG to provide this undertaking in relation to the application before the Fair Work Commission.
2. IAG undertakes that at all times during the nominal term of the Agreement, and until the Agreement is replaced, that the Agreement will operate on the basis that the following NES Precedence term is included as a term of the Agreement:

This Agreement will be read and interpreted in conjunction with the National Employment Standards (NES). Where there is an inconsistency between this Agreement and the NES, and the NES provides a greater benefit, the NES provision will apply to the extent of the inconsistency.

3. IAG undertakes to apply clause 5.4.3(a) of the Agreement as if it reads as follows:

(a) Employees may take 4 days Sick/Carer's leave per annum, with a maximum of 2 consecutive days taken as Sick/Carer's Leave without being required to provide a medical certificate or other relevant supporting documentation to their Manager that would satisfy a reasonable person.

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Sydney NSW 2000

iag.com.au
ME_182705707_1

Insurance Australia Group Limited ABN 60 090 739 923

- 4 IAG undertakes to apply clause 5.4.3(b) of the Agreement as if it reads as follows:

(b) A medical certificate or other relevant supporting documentation that would satisfy a reasonable person, will be required for all Sick/Carer's Leave absences taken in excess of 2 consecutive days.



Jennifer Delves
Executive General Manager, P&C Operations
IAG

13 April 2021

Note - this agreement is to be read together with an undertaking given by the employer. The undertaking is taken to be a term of the agreement. A copy of it can be found at the end of this agreement.

IAG

Enterprise Agreement

2020

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1. TECHNICAL MATTERS

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1.1 Title

This Agreement shall be known as the *IAG Enterprise Agreement 2020*.

1.2 Terms and Definitions

The following terms are used throughout the Agreement and are defined as follows:

Agreement

The *IAG Enterprise Agreement 2020*.

Act

The *Fair Work Act 2009* (Cth) as amended from time to time.

Annual Leave Loading Limit

The annual leave loading limit is calculated as the average weekly earnings for the Australian, Original, Male, 'All employees average weekly total earnings' category (as a dollar figure) published in the Australian Bureau of Statistics Bulletin 'Average Weekly Earnings, Australia' for the 2020 reference period, applicable as at the date this Agreement is made. The limit will be reviewed on 1 July 2021 and 1 July 2022 following the release of the November reference period figures.

Award

The *Banking, Finance and Insurance Award 2020*.

Base Salary

Base Salary is defined as the total value of components that make up an Employee's salary. Components are cash, salary sacrifice items such as superannuation, car(s), parking and any related taxes where applicable. Base Salary does not include loadings, overtime or allowances.

Business Unit

An existing and logical group of Employees, consistent with the organisation's structure (the team, department, division or branch as appropriate). Where a Business Unit operates with a contingent workforce (including contractors), those employees and contractors are considered a part of the Business Unit for the purpose of clause 3.10, 24 - Hour Shift Work Arrangements.

Carer's Leave

This refers to an Employee's paid Sick/Carer's leave entitlement that can be used to provide care or support for a member of the Employee's Immediate Family, or a member of the Employee's household due to:

- (a) a personal illness, or personal injury, affecting the member; or
- (b) an unexpected emergency affecting the member.

Casual Employee

A Casual Employee is an Employee who is engaged and paid as such.

Commencement Date

The date on which this Agreement commences operation under clause 1.4.

Contracted Hours

These are the times and days specified in an Employee's contract of employment and/or work schedule within which an Employee may be required to work their Ordinary Hours. The introduction of this Agreement does not change an Employee's contracted hours.

Eligible Casual

A Casual Employee for the purposes of Parental Leave is a long term casual employee (as that term is defined in the Act) of IAG immediately before:

- (a) the date of birth or the expected date of birth of the child; or
- (b) the day of placement, or the expected day of placement, of the child; or
- (c) as otherwise provided for in the Act; and

but for Parental Leave, the Employee would have a reasonable expectation of continuing employment with IAG on a regular and systematic basis.

Employees

Employees employed by IAG engaged in the classifications listed in Annexure A – Classification Structure of this Agreement.

Four week cycle

Each four-week (28 day) work period within which each Employee may work their Ordinary Hours.

Fixed Pay

Fixed Pay refers to an Employee's Base Salary plus compulsory superannuation contributions made by IAG.

FWC

Fair Work Commission.

FSU

Finance Sector Union of Australia.

Immediate Family Member

Means:

- (a) a spouse, de facto partner, same sex partner who the Employee lives with as a de facto partner, child (including as part of an indigenous kinship care arrangement), parent, grandparent, grandchild or sibling of the Employee; or
- (b) a child (including as part of an indigenous kinship care arrangement), parent, grandparent, grandchild or sibling of a spouse or de facto partner of the Employee or same sex partner who the Employee lives with as a de facto partner.

For the purposes of clause 5.5 (Compassionate Leave) and clause 5.13 (Family and Domestic Violence Leave) 'spouse' includes a former spouse, former de facto spouse and former same sex partner who the Employee lived with as a de facto.

IAG

Refers to the following companies:

- Insurance Australia Group Services Pty Limited ABN 38 008 435 201; and
- Insurance Manufacturers of Australia Pty Limited ABN 93 004 208 084.

Job Family

A group of jobs which are, very broadly, in the same job market with similar skills, knowledge and experience.

Manager

An Employee who is responsible for managing other Employees e.g. a team leader, manager or supervisor.

Market Range

The range of Fixed Pay which is typically paid in the market for a particular job.

Mutual agreement

Agreement freely reached after individuals have been fully informed of the issues under consideration, and where Managers and Employees make arrangements after full and open discussion.

NES

The National Employment Standards as varied from time to time.

Ordinary Hours

Are hours that an Employee works that are paid at single time in accordance with clause 3.1.

Partner

The spouse or de facto Partner of an Employee (whether the Employee and the person are of the same sex or different sexes).

Pattern of Hours

The days and times when an Employee usually works their Ordinary Hours. Days and times may vary as part of a roster arrangement.

Performance Bonus

A Performance Bonus is in addition to any incentive payment and may be awarded to an Employee in circumstances where it is not appropriate to award an increase to Base Salary. A Performance Bonus may also be awarded in addition to an increase to Base Salary.

Parental Leave

Parental Leave is as set out in the NES, but includes leave for surrogacy as provided in clause 5.8.

Redundancy

Redundancy is where a position is no longer required to be performed as a result of a re-organisation of work, the adoption of changed business practices, technological change or changes to business levels.

Retrenchment

Retrenchment means termination of employment as a result of redundancy. This occurs where an Employee's employment is terminated by IAG after their position has been made redundant, and where no Suitable Alternative Employment is offered and no other alternatives for continuing employment have been agreed.

Remuneration System

The Remuneration System is made up of 3 components:

Annual remuneration review + Incentive Plan + Recognition

Sick Leave

Sick Leave is paid leave to cover an Employee's absence from work due to personal illness and/or injury.

Term

Term is the period between the commencement of this Agreement and the nominal expiry date.

2003 Agreement

The *Insurance Australia Group Enterprise Agreement 2003*.

2012 Agreement

The Insurance Australia Group Enterprise Agreement 2012.

1.3 Coverage of the Agreement

This Agreement covers Insurance Australia Group Services Pty Limited; Insurance Manufacturers of Australia Pty Limited; their Employees and the FSU providing the FWC notes the FSU is covered by the Agreement under section 201 of the Act.

1.4 Commencement Date and Term of the Agreement

This Agreement shall operate on and from seven days after the date of approval by the FWC. The nominal expiry date of the Agreement will be 31 December 2023.

1.5 Effect of this Agreement

This Agreement operates to the exclusion of any Modern Award, Enterprise Agreement, Transitional Instrument or unregistered agreement that could otherwise apply.

1.6 Relationship with National Employment Standards

No term of this Agreement will operate to exclude the NES or any provision of the NES.

1.7 Policies

This Agreement must be read in conjunction with IAG policies, procedures and guidelines as advised and amended from time to time, including those referred to in this Agreement. These policies, procedures and guidelines do not form part of this Agreement. In the event of any inconsistency, the Agreement will prevail.

2. TYPES OF EMPLOYMENT AT IAG

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2.1 Full-Time Employment

An Employee who is employed to work 150 hours per four week cycle.

An Employee who, at the date of certification of the 2003 Agreement was working 140 hours per four week cycle will also be considered as a full-time Employee in accordance with Annexure B of this Agreement.

2.2 Temporary Employment

Employees may be appointed on a temporary basis to cover short-term or fixed term requirements and in situations where the ongoing requirements for the particular function cannot be adequately determined at the outset. Temporary employment is not considered permanent employment for the purposes of this Agreement.

2.3 Part-Time Employment

IAG is committed to providing opportunities for Employees to work on a part-time basis. A part-time Employee is a person who is employed to work less than 150 hours on average over a four week cycle, or less than 140 hours per four week cycle in accordance with Annexure B of this Agreement.

2.3.1 Salary

A part-time Employee is paid an hourly rate calculated by dividing the appropriate salary by the number of hours worked by a full-time Employee. The appropriate salary is determined by the classification and grade applicable to the Employee's role as set out in Annexure A.

2.3.2 Leave Entitlements

A part-time Employee is entitled to Annual leave, paid Sick/Carer's leave, and all other authorised leave on a proportionate basis. The only exception is that part-time Employees will receive a full entitlement to Personal & Emergency Leave per year in accordance with clause 5.6 and Family and Domestic Violence Leave in clause 5.13 of this Agreement.

Where a part-time Employee's usual day of work (based on an Employee's normal Pattern of Hours) falls on a public holiday, they will not lose pay for the day.

2.3.3 Promotional Opportunities

Part-time Employees are entitled to equal access to all relevant training and promotional opportunities.

2.3.4 Converting from Full-Time Employment

- (a) A full-time Employee who converts to part-time Employment will transfer all accrued legislative entitlements and entitlements under this Agreement and their employment is deemed to be continuous.
- (b) No full-time Employee shall be transferred by IAG to part-time employment without the agreement of the Employee.

2.4 Casual Employment

IAG may employ Casual Employees for the purpose of meeting particular business needs. Casual employment will be used as a temporary measure. Casual Employees are subject to the terms and

conditions specified below:

Conditions

- 1 An Employee may be engaged on a casual basis between the hours 7.00am and 9.00pm Monday to Sunday. Where an Employee is engaged as a casual within the call centres, they may be required to work between the hours of 7.00am and 10.00pm Monday to Sunday.
- 2 A Casual Employee may work on any public holiday (as defined in the NES), in the event that insufficient full-time or part-time Employees are available to work on the day.
- 3 The contract of employment shall be on an hourly basis with a minimum of 3 hours.
- 4 A Casual Employee will be paid as a minimum, an hourly rate calculated by dividing the minimum salary payable by 37.5 hours plus a loading of 25% of that salary. The appropriate salary will be determined by the classification and grade applicable to the Casual Employee's role as set out in Annexure A.
- 5 The casual loading is paid instead of Annual leave, Sick/Carer's leave, notice of termination, redundancy benefits, public holidays and any other attributes of part-time or full-time employment.

2.5 Right to Request Casual Conversion

The terms of clause 11.5 of the Award (Right to request casual conversion) as at 25 November 2020 are incorporated as terms of this Agreement with the following amendments:

- (a) 'a particular employer', 'an employer' and 'the employer' are replaced with 'IAG';
- (b) 'employee' is replaced with 'Employee';
- (c) 'award' is replaced with 'Award';
- (d) 'pattern of hours' is replaced with 'Pattern of Hours'; and
- (e) in subclause (j) of clause 11.5: 'dispute resolution procedure in clause 30 – Dispute Resolution. Under that procedure, the employee or the employer may refer the matter to the Fair Work Commission if the dispute cannot be resolved at the workplace level' is replaced with 'Procedure in clause 7.1 of this Agreement'.

2.6 Job Share

IAG continues to offer job share as a way of providing greater flexibility in the workplace to assist Employees balance work and life outside of work.

Generally, job sharing is a voluntary arrangement whereby two people share one full-time job, working part-time on a regular ongoing basis.

Employees who commence a job share arrangement, will be considered a part-time Employee and entitled to all benefits available to part-time Employees, in accordance with clause 2.3 of this Agreement.

Policies and procedures for implementing a job share arrangement can be obtained from Group People, Performance and Reputation or via the intranet.

3. HOURS OF WORK

OVERVIEW

Employees and their Managers will work together to achieve IAG's business needs while ensuring that an Employee's personal needs are taken into account. IAG is committed to the involvement of Employees in the implementation of flexible working hours.

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3.1 Ordinary Hours

3.1.1 The standard Ordinary Hours of work for full-time Employees are 150 hours per four week cycle. A small number of Employees currently work 140 hours per four week cycle as a full-time Employee under the arrangement in Annexure B of this Agreement.

3.1.2 Ordinary Hours may be worked between 7.00am and 9.00pm, Monday to Sunday.
Within call centres, hours may be worked between 7.00am and 10.00pm, Monday to Sunday.

3.1.3 Ordinary Hours will not exceed:

- (a) 10 hours per day excluding meal breaks;
- (b) 50 hours per week excluding meal breaks; or
- (c) 150 hours per four week cycle excluding meal breaks.

This means that any combination of Ordinary Hours over a four week cycle cannot exceed 150 hours excluding meal breaks.

3.2 Additional Hours for Part-Time Employees

3.2.1 Part-time Employees may on occasion be required to work in excess of their normal Pattern of Hours (Additional Hours). The requirement to do so should occur on an irregular basis only and should be in consideration of the part-time Employee's personal circumstances. An Employee may refuse to work Additional Hours if they are unreasonable.

3.2.2 If a part-time Employee is required to work or attend training sessions in excess of their normal Pattern of Hours, they will be paid at their single hourly rate for all time up to 37.5 hours per week (subject to Annexure B), unless this time is overtime under clause 3.7.3.

3.2.3 Where a part-time Employee works Additional Hours on a Saturday or Sunday and that day is not one of the Employee's weekend days, they will receive ordinary pay plus the appropriate loading for that day in accordance with clause 3.6.3 of this Agreement.

3.2.4 A part-time Employee who works Additional Hours which are not paid as overtime, will have the Additional Hours recognised for leave entitlement purposes.

3.3 Meal Breaks

3.3.1 No Employee will be required to work more than five hours without a meal break except in situations where:

- (a) the daily hours to be worked are six hours or less and the Employee requests to work for that period without a meal break and the Manager agrees; or
- (b) in emergency circumstances where an Employee and their Manager may mutually agree to defer a meal break,

provided that in situations where (a) or (b) above apply, an Employee should take a rest break at an appropriate time during the working day as agreed between an Employee and their Manager.

- 3.3.2 The meal break will be at least 30 minutes and up to one hour in duration and will be unpaid.
- 3.3.3 The meal break may be extended to a maximum of two hours subject to agreement being reached between an Employee and their Manager.

3.4 Days Worked

An Employee will not be required to work more than five consecutive (ordinary) days in any seven-day period and is entitled to take two consecutive days off as their nominated weekend. An Employee may request and a Manager can agree that these two days may be taken as individual days (i.e. not consecutively).

3.5 Varying the Pattern of Hours

- 3.5.1 From time to time, Business Unit needs may require an Employee's Pattern of Hours to vary. Where such a need arises, the following process will apply:
 - (a) An Employee's Pattern of Hours may be varied by Mutual agreement between an individual Employee and their Manager, subject to this clause 3.5;
 - (b) For the purposes of this clause 3.5, IAG will consult with any Employees affected by the proposed change and their representatives (if any);
 - (c) Managers will consult with Employees about the proposed changes and will provide a copy of the changes to Employees in writing. Managers will consider any feedback received from Employees during consultation, including the personal needs and commitments of Employees;
 - (d) Where the change in the Employee's Pattern of Hours will result in a change to the Employee's regular roster or ordinary hours of work, the Manager will also invite the Employee to give their views about the impact of the change (including any impact in relation to their family or caring responsibilities) and will consider any views that are given by the Employees;
 - (e) Where practical, Managers will first seek volunteers to change their Pattern of Hours;
 - (f) Where insufficient numbers of Employees volunteer or it is not practical to seek volunteers (e.g. whole team changes are occurring), a Manager may require Employees to work the new Pattern of Hours;
 - (g) Managers will provide Employees with 28 days' notice of the change, and a copy of the new roster;
 - (h) If an Employee requests additional time to make changes to their personal arrangements, an additional period of time will not be unreasonably withheld. Such additional time will be determined between the Employee and the Manager taking into consideration the Employee's personal needs and commitments; and
 - (i) If an Employee disagrees with their Manager's determination of the Pattern of Hours on the basis that it is unreasonable given the Employee's personal, family and/or carer's responsibilities, the Employee may use the dispute resolution procedure as set out in clause 7.1 of the Agreement.
 - (j) Where an Employee's Pattern of Hours changes regularly as part of a rotating roster arrangement (such as under clause 3.10.8, Shift Work Rosters), clause 3.5.1 does not

apply. However, where there is a change to the operation of a rotating roster arrangement, the process set out in this clause will apply to that change.

3.5.2 Variations to Working Hours for Emergency Situations

Employees may on occasion be asked to make temporary changes to their Pattern of Hours as a result of unforeseen circumstances affecting business requirements or a major natural event. Where practical, Managers will first seek volunteers.

Examples may include floods, cyclones, severe storms, bushfires, other emergencies, or another distinct event that significantly increases work volumes above normal work patterns.

3.6 Saturday and Sunday Work

3.6.1 Overview

Subject to clause 3.5 an Employee whose Contracted Hours include Saturday and/or Sunday may be required to work Ordinary Hours on these days.

3.6.2 Voluntary Saturday and Sunday Work

An Employee whose Contracted Hours do not include Saturday and/or Sunday may agree to work a Pattern of Hours which includes Ordinary Hours on Saturdays and/or Sundays.

3.6.3 Payment

- (a) For work performed on Saturday as part of Ordinary Hours, Employees will receive ordinary pay plus 50% loading.
- (b) For work performed on a Sunday as part of Ordinary Hours, Employees will receive ordinary pay plus 75% loading.
- (c) Where an Employee takes paid Sick/Carer's leave, Personal & Emergency Leave, annual leave, Paid Parental Leave or long service leave on a Saturday and/or Sunday that is part of their Pattern of Hours, they should be paid the appropriate loading as if they had worked with one day deducted from their leave entitlement.

3.6.4 Time in Lieu

- (a) An Employee and their Manager may mutually agree to time off in lieu of payment for the loading for work performed on Saturday and/or Sunday as part of Ordinary Hours.
- (b) Under this arrangement the Employee will be paid at ordinary rates for the time worked and take time off at the rate of one half-hour for each hour worked as Ordinary Hours on Saturday, or for Ordinary Hours worked on a Sunday, the Employee will be paid at ordinary rates for the time worked and take time off at the rate of 45 minutes for each hour worked.
- (c) Time off taken in lieu will be taken as agreed between the Manager and their Employee within six months of the day being worked. Where it is not practicable for the time off to be granted or taken within six months, the Employee will be paid for the time worked at the prescribed rate of pay in clause 3.6.3(a) and 3.6.3(b).

3.7 Overtime

Employees may be required to work additional hours as reasonably requested by IAG and will be paid according to the overtime provisions in this clause 3.7.

3.7.1 Eligibility

- (a) Overtime arrangements apply to Employees whose Base Salary is less than \$86,647.87 or a pro-rata equivalent for part-time Employees (Overtime Threshold).
- (b) During the term of the Agreement, the Overtime Threshold will be adjusted annually in accordance with adjustments to the minimum rates of pay prescribed in the Agreement.

3.7.2 Application

- (a) Overtime must be authorised and will only be paid with prior approval from the Employee's Manager.
- (b) In the case of full-time Employees, overtime will apply for all time where the Employee is required to work by their Manager in excess of:
 - (i) an Employee's ordinary Pattern of Hours; or
 - (ii) 10 hours per day; or
 - (iii) 50 hours per week; or
 - (iv) Ordinary Hours over a four week cycle.
- (c) Where practical at least 24 hours' notice of any such overtime will be provided.

3.7.3 Overtime for Part-Time Employees

- (a) For part-time Employees, overtime will apply for all time where the Employee is required to work by their Manager:
 - (i) in excess of 37.5 hours per week, subject to Annexure B of the Agreement;
 - (ii) for time worked where the Employee is called back to work after completing their usual hours for that day; or
 - (iii) weekend days.
- (b) Where a part-time Employee works less than five days per week, the Employee and their Manager should nominate and agree what two consecutive days (or as otherwise agreed under clause 3.4) constitute their notional weekend for the purposes of determining overtime hours. Where Saturday and Sunday are not part of an Employee's Ordinary Hours, they will automatically be deemed the Employee's weekend.

3.7.4 Payment for Overtime

Overtime will be paid as follows:

Time /Day	Rate
First two hours (non-weekend days)	Time and one half
After the first two hours	Double time
Weekend days	Double time with a minimum payment as for three hours work.

3.7.5 Time in Lieu

- (a) An Employee and their Manager (through Mutual agreement) may allow for the Employee to take time off in lieu of payment for overtime. Time off will be at the rate of the overtime payment appropriate to the hours worked.
 For example, one hour of overtime which would otherwise be paid at the rate of time and one half would entitle the Employee to one and a half hours' time in lieu.
- (b) Alternatively, by Mutual agreement with their Manager, the Employee may elect to be paid at ordinary rates for the time worked and take time off.
 For example, one hour of overtime which would otherwise be paid at the rate of time and one half would entitle the Employee to one hour of pay and a half hour as time in lieu.
- (c) Time off taken in lieu of overtime pay will be taken as agreed between the Manager and their Employee within four weeks of the overtime being worked. Where it is not practicable for the time off to be granted or taken within four weeks, the Employee will be paid for the overtime worked at the prescribed rate of pay.

- (d) If on termination of an Employee's employment, time off for overtime worked by the Employee has not been taken, IAG will pay the Employee for that overtime at the overtime rate applicable to the overtime when it was worked.

3.7.6 **Transport**

When an Employee works overtime after 8.00 pm, IAG will provide transport to the Employee's usual place of residence, if requested by the Employee.

3.7.7 **Meal Money**

- (a) Employees will receive a meal allowance of \$17.35 or be provided with a suitable meal, where they are required by their Manager to work overtime for more than:
 - (i) two hours on any week day; or
 - (ii) four hours on any weekend day or public holiday.
- (b) Meal money shall be paid as part of the Employee's salary on the next salary payment date where the overtime worked is at least a week before that date. Where overtime is worked within a week of the next salary payment date, meal money shall be paid as part of the Employee's salary on the following salary payment date.
- (c) IAG will review the meal allowance on an annual basis based on movements in the Consumer Price Index (weighted average of eight capital cities). This review will occur in July each year following the release of CPI figures for the June quarter.

3.8 **Flexible Working Arrangements**

3.8.1 **Systems of Working Hours**

- (a) IAG recognises that a number of methods may be used to manage hours of work including:
 - (i) flex time;
 - (ii) rostered days off (RDOs);
 - (iii) make-up time;
 - (iv) time in lieu where this is provided for in the Agreement; or
 - (v) other flexible working hours arrangements as agreed between an individual Employee and their Manager.
- (b) Managers and Employees may mutually agree on a system of managing hours having regard to business requirements and the needs of Employees.
- (c) In some cases business needs may require that all Employees work under the same hours arrangement (e.g. an RDO system).

3.8.2 **Part-time Employees**

A part-time Employee and their Manager should mutually agree on a system for managing the part-time Employee's hours of work.

When an Employee changes between full-time and part-time work, a different system of working hours may be mutually agreed.

3.8.3 **Flex Time**

Overview

A Business Unit may choose to operate a system of flex time. Flex time allows Employees to accumulate credit time which may be taken as paid time off work (flex leave). Flex time will only apply to Managers where a Business Unit has decided, for operational reasons, to include them in the working of a flex time system.

(a) **Daily hours**

Hours may be worked within the span of hours up to a maximum of 10 hours per day.

(b) **Credit time**

Employees may carry a maximum of 10 hours credit from one four week cycle to the next.

(c) **Days off**

Employees and Managers will schedule flex leave by mutual agreement. Where an Employee has accrued credit hours but it is not possible for flex leave to be taken, or business needs prevent scheduled flex leave from being taken, the Employee and their Manager will agree to either:

- (i) reschedule flex leave within the current cycle; or
- (ii) bank flex leave for later use.

Where an Employee works Ordinary Hours on a Saturday or Sunday, any flex leave taken on these days will not attract the weekend loading.

A "bank" of leave means that Employees can save their leave for use at a future time which is convenient to them and which suits business needs. Banked leave should be taken within twelve months of its accrual.

(d) **Excess credit time**

Where an Employee is likely to accrue in excess of 10 hours in a four week cycle, they should discuss the issue with their Manager. The Manager and their Employee will investigate ways to reduce the need to work additional hours.

Employees and their Managers may also mutually agree that:

- (i) flex leave may be taken; or
- (ii) additional hours should not be worked; or
- (iii) hours in excess of 10 will be paid out at single time.

(e) **Major unforeseen travel delay**

Where an Employee is prevented from arriving at work until substantially later than their planned commencement time due to a major unforeseen travel delay (e.g. an unannounced transport strike or major disaster), time lost may be credited as time worked.

3.8.4 **Rostered Days Off (RDOs) Overview**

A Business Unit may choose to implement a system of RDOs. Employees will be entitled to a maximum of 12 RDOs per year. RDOs will only apply to Managers where a Business Unit has decided, for operational reasons, to include them in the working of an RDO system.

(a) **Daily hours**

On average, full-time Employees must work 150 hours over 19 days in each four week cycle to be able to take an RDO.

(b) **Days off**

- (i) RDOs will be scheduled during a four week cycle by Mutual agreement between the individual Employee and their Manager. However, where there is a clear business need, days off may be rostered for up to 12 months in advance.
- (ii) In case of emergency or periods of unusually high demand, a Manager may require an Employee to work on their planned RDO. In this case, the Manager will give as much notice as possible, provided that at least 24 hours' notice is given. Where an Employee is required to work on an RDO, the Employee and their Manager will agree to either:

- reschedule the RDO within the current cycle or some other mutually

agreed time; or

- pay out the RDO at single time.

(c) **Accrual during Periods of Paid Leave**

The entitlement to an RDO will not be affected by an absence on paid leave of less than four weeks, nor will it be affected by an absence due to annual leave. However, an Employee will forfeit an RDO for each four week absence on any form of paid leave other than annual leave.

(d) **Accrual during Periods of Unpaid Leave**

Time towards an RDO will not accrue when an Employee is on unpaid leave. However, an Employee and their Manager will agree on managing hours where an absence on unpaid leave is less than four weeks. The Employee and Manager may agree that:

- (i) time will be made up to allow an RDO to be taken;
- (ii) a shorter period of leave (e.g. half a day) may be taken; or
- (iii) additional hours worked during the period may be paid out at single time.

An Employee will forfeit an RDO for each four week absence on unpaid leave.

3.8.5 **Make-Up Time**

An Employee may elect, with the agreement of their Manager, to work make-up time where the Employee takes time off during Ordinary Hours, and works those hours at a later time, during the span of hours provided in clause 3.1.2 of the Agreement.

3.8.6 **Other Flexible Working Hours Arrangements**

An Employee and their Manager may mutually agree to implement other flexible working arrangements to meet business needs or accommodate an Employee's personal circumstances.

Such arrangements may include a compressed working week, home based work or flexible patterns of hours and days worked. Flexible working hours arrangements will be worked in accordance with this clause 3 of the Agreement.

3.8.6.1 **Employee may request change in working arrangements**

Clause 3.8.6.1 applies where an Employee has made a request for a change in working arrangements under section 65 of the Act.

NOTE 1: Section 65 of the Act provides for certain Employees to request a change in their working arrangements because of their circumstances, as set out in section 65(1A). Clause 3.8.6.1 supplements or deals with matters incidental to the NES provisions.

NOTE 2: IAG may only refuse a section 65 request for a change in working arrangements on 'reasonable business grounds' (see section 65(5) and (5A)).

NOTE 3: Clause 3.8.6.1 is an addition to section 65.

3.8.6.2 **Responding to the request**

Before responding to a request made under section 65, IAG must discuss the request with the Employee and genuinely try to reach agreement on a change in working arrangements that will reasonably accommodate the Employee's circumstances having regard to:

- (i) the needs of the Employee arising from their circumstances;
- (ii) the consequences for the Employee if changes in working arrangements are not made; and
- (iii) any reasonable business grounds for refusing the request.

NOTE 1: IAG must give the Employee a written response to an Employee's section 65 request within 21 days, stating whether IAG grants or refuses the request (section 65(4)).

NOTE 2: If IAG refuses the request, then the written response must include details of the reasons for the refusal (section 65(6)).

3.8.6.3 What the written response must include if IAG refuses the request

- (i) Clause 3.8.6.3 applies if IAG refuses the request and has not reached an agreement with the Employee under clause 3.8.6.2.
- (ii) The written response under section 65(4) must include details of the reasons for the refusal, including the business ground or grounds for the refusal and how the ground or grounds apply.
- (iii) If IAG and the Employee could not agree on a change in working arrangements under clause 3.8.6.2, then the written response under section 65(4) must:
 - (A) state whether or not there are any changes in working arrangements that IAG can offer the Employee so as to better accommodate the Employee's circumstances; and
 - (B) if IAG can offer the Employee such changes in working arrangements, set out those changes in working arrangements.

3.8.6.4 What the written response must include if a different change in working arrangements is agreed

If IAG and the Employee reached an agreement under clause 3.8.6.2 on a change in working arrangements that differs from that initially requested by the Employee, then IAG must provide the Employee with a written response to their request setting out the agreed change(s) in working arrangements.

3.8.7 Review of Flexible Working Arrangements

From time to time operational needs may require the operation of Business Unit flexible working arrangements such as RDOs or flex time arrangements to be reviewed or varied. Any changes to Business Unit flexible working arrangements will only be implemented after consultation with affected Employees and the FSU in relation to affected FSU members. Where such a need arises, Managers will consult with the Employees affected. Managers will provide Employees with at least 28 days' notice of the change. Where the review will result in a change to an Employee's regular roster or Ordinary Hours of work, the Manager will provide information to the Employee affected, invite the Employee to give their views about the impact of the change (including any impact in relation to their family or caring responsibilities), and consider any views that are given by the Employee.

The introduction of this Agreement does not intend to remove an Employee's access to RDOs or flex time arrangements that are currently operating within their Business Unit.

3.9 Public Holidays

3.9.1 Overview

Employees will be provided with public holidays in accordance with the NES. The list of applicable public holidays will be published on IAG's intranet including Bank Holiday in NSW/ACT and any other non-national public holidays that IAG observes.

To ensure that IAG is able to meet customer demand adequately on national and non-national public holidays, Employees may be required to work on these days.

3.9.2 Rate of Payment

- (a) In addition to normal pay for the Employee's ordinary working hours, Employees required to work on a public holiday or a substituted day will be paid at the rate of time and one half

for the hours worked on the public holiday, with a minimum payment as for four hours work (if the Employee is available to work for four hours). Alternatively, at the Employee's election, payment will be made at the rate of time and one half plus one day off in lieu at single time.

- (b) Where both a public holiday and substituted day are worked, public holiday penalties are payable on only one of those days at the election of the Employee.

3.9.3 Time Off In Lieu

Time off in lieu is to be scheduled by agreement within one calendar year of the day the Employee was required to work. If not taken within this period, payment must be made to the Employee at single time.

3.9.4 Substitution of Public Holidays

An Employee and their Manager may agree to substitute another day for a day that would otherwise be a public holiday under the NES, or another part-day for a part-day that would otherwise be a part-day public holiday under the NES.

3.9.5 Flexible Work Team Local Arrangements

The provisions of the *Hurstville Flexible Work Team Public Holidays Local Arrangement 2006* and the *Parramatta Flexible Work Team Public Holidays Local Arrangement 2010* are incorporated into this Agreement (**FWT Public Holiday Arrangements**). Any proposed changes to the FWT Public Holiday Arrangements will only be implemented after consultation with affected Employees and the FSU in relation to affected members. The FWT Public Holiday Arrangements will only cease to operate if a majority of Employees agree to cease the relevant arrangement.

3.10 24 - Hour Shift Work Arrangements

A Business Unit may, due to customer and/or operational needs, need to operate outside of the span of Ordinary Hours and provide for shift work arrangements.

The provisions of this section 3.10 only apply to Shift Workers as defined in clause 3.10.1.

The Shift Work provisions contained in section 3.10 will operate to the exclusion of the hours of work provisions in Section 3 of this Agreement.

Except where already provided for in this section, the terms and conditions of the Agreement will apply to Shift Workers.

3.10.1 Definitions

Shift Worker - a Shift Worker means an Employee who is:

- (a) employed in a Business Unit in which shifts are continuously rostered 24 hours a day for at least 5 days a week; and
- (b) regularly rostered to work outside the span of Ordinary Hours in clause 3.1 of the Agreement.

12 Hour Shift Worker - a 12 Hour Shift Worker is employed in a Business Unit to work a shift of 12 hours in accordance with clause 3.10.4.

Rostered Shift means a shift of which the Employee concerned has had at least seven days' notice in the case of a new roster and at least 48 hours' notice in the case of an existing roster.

3.10.2 Shift Definitions

Early Morning Shift means any shift commencing between 4am and 7am.

Afternoon Shift means any shift finishing between 7pm and midnight.

Night Shift means any shift finishing between midnight and 7am.

3.10.3 Shift Loadings (excluding 12 Hour Shift Workers)

For work performed in accordance with the shift definitions, the following shift loadings will apply:

Early Morning Shift - ordinary rate plus a shift loading of 12.5% for the entire shift.

Afternoon Shift - ordinary rate plus a shift loading of 20% for the entire shift.

Night Shift - ordinary rate plus a shift loading of 25% for the entire shift.

Payments set out in this clause shall stand alone and shall not be included for any other purposes of this Agreement unless expressly stated.

3.10.4 12 Hour Shift Definitions

- (i) **Day Shift** means any shift of 12 hours finishing after 12.00 midday and at or before 8pm.
- (ii) **Night Shift** means any shift of 12 hours finishing after 12.00 midnight and at or before 8am.

3.10.5 12 Hour Shift Loadings

For work performed during ordinary hours on 12 hour shifts defined in clause 3.10.4, the following rates of pay will apply:

- (i) **Day Shift** – ordinary rate plus a shift loading of 20% for the entire shift.
- (ii) **Night Shift** – ordinary rate plus a shift loading of 30% for the entire shift.

3.10.6 Work on Saturday/Sunday and Public Holidays

For any work performed on a shift, where the majority of that shift falls between midnight on Friday and midnight on Sunday, the rate of payment will be the Employee's ordinary rate plus a loading of 75% for the entire shift.

For any work performed on a shift, where the major portion of that shift falls on a public holiday, the rate of payment will be the Employee's ordinary rate plus a loading of 150% for the entire shift.

3.10.7 Hours of Work (excluding 12 hour Shift Workers)

Shift Workers will be employed to work an average of 37.5 hours per week unless they are a '12 Hour Shift Worker' and will not exceed:

- (i) 10 hours per day excluding meal breaks;
- (ii) 50 hours per week excluding meal breaks; or
- (iii) 150 hours per four week cycle excluding meal breaks.

This means that any combination of Ordinary Hours over a four week cycle cannot exceed 150 hours excluding meal breaks.

3.10.7.1 Hours of work for 12 Hour Shift workers

Ordinary Hours of work for 12 Hour Shift Workers will not exceed:

- (i) 12 hours per shift;
- (ii) an average of 38 hours in any roster cycle; and

there must be a 12 hour interval between the finish of a rostered shift and the commencement of the next shift.

3.10.8 **Shift Work Rosters**

- (i) A Shift Worker may be requested to work a variety of different start/finish times in a four week cycle.
- (ii) Shift Workers will work according to pre-determined rosters.
- (iii) Shift Workers may, with their Manager's approval, swap shifts to suit personal needs, provided that IAG does not incur any additional costs as a result of the shift swap.
- (iv) IAG will provide at least 48 hours' notice of a change to a Rostered Shift unless the change is the result of an emergency or absence of a Shift Worker.

If less than 48 hours' notice is given, then the Shift Worker shall be paid for the shift in accordance with overtime rates as set out in clause 3.7 of the Agreement.

In this case, the overtime rates are in substitution for and not in addition to any applicable shift loadings prescribed for the relevant shift.

3.10.9 **Overtime**

Overtime will be in accordance with clause 3.7 of this Agreement.

A 12 Hour Shift Worker should not be required to work overtime, other than in the exceptional circumstances where another Employee is not available in which case a maximum of two hours overtime may be worked.

Overtime will be calculated on a daily basis using the Shift Worker's actual base rate of pay (i.e. excluding shift loadings).

Overtime worked in conjunction with a Rostered Shift will attract the shift loading or the applicable overtime rate, whichever is the greater but not both.

3.10.9.1 **Time off between Shifts**

Wherever practical, overtime must be so arranged that Shift Workers have at least 10 consecutive hours off work before being required to start their Rostered Shift after working overtime.

Where a Shift Worker has worked so much overtime after finishing their Rostered Shift that they would not have 10 consecutive hours off work before the commencement of their next Rostered Shift, the Shift Worker must be released from work until the Shift Worker has had 10 consecutive hours off work without loss of pay for Ordinary Hours during the absence.

If at the direction of IAG, the Shift Worker resumes or continues work without having had 10 consecutive hours off work, the Shift Worker must be paid at the rate of double time (excluding shift loadings) until the Shift Worker finishes work and the Employee will then be entitled to be off work until the Employee has had 10 consecutive hours off.

The above will not apply when the time worked is by arrangement between Shift Workers.

3.10.10 **Call Back**

If a Shift Worker has left the premises for the day and is called back after their normal finishing time, the Shift Worker must be paid overtime rates for all time worked with a minimum payment as for four hours work.

3.10.11 **Travel**

Where a Shift Worker starts or finishes a shift at a time when their usual or safe reasonable means of transport is unavailable, if the Shift Worker requires, IAG will provide transport between the Shift Worker's place of residence and the Shift Worker's place of work at no cost to the Employee.

3.10.12 **Public Holidays**

Where a public holiday or any substituted day falls on a day where a Shift Worker is not rostered to work, the Shift Worker will be paid an additional day's pay with the exception of the instance where the public holiday itself (or any substituted day) falls on a Saturday or Sunday.

3.10.13 **Meal Breaks**

Meal breaks for Shift Workers will be in accordance with clause 3.3 except for 12 Hour Shift Workers. 12

Hour Shift Workers must not be required to work more than 4 hours without a meal or rest break of at least 30 minutes. Such meal or rest breaks will count as time worked.

3.10.14 Annual Leave

Shift Workers will receive annual leave in accordance with clause 5.1 of the Agreement. In addition, for the purposes of the NES, a Shift Worker who is regularly rostered to work Sundays and public holidays will receive an additional week of annual leave each year.

3.10.14.1 Annual Leave Loading

For the period of annual leave, a ShiftWorker will receive the greater of either:

- (i) the pay they would normally have received had they worked, including shift loadings; or
- (ii) their ordinary time earnings plus 17.5% leave loading subject to the Annual Leave Loading Limit.

3.10.15 Daylight Saving

Despite anything contained elsewhere in this clause, in any area where State summer time has been introduced by legislation which is in advance of State standard time, the length of a shift will be determined by the adjusted time on the clock.

A shift commencing before the prescribed time for the commencement of summer time will be shortened by the period of time by which summer time is in advance of standard time; and conversely a shift commencing on or before the prescribed time for the termination of summer time will be lengthened by the period of time by which summer time was in advance of standard time.

The expressions "standard time" and "summer time" have the same meaning as prescribed in the relevant legislation.

4. REMUNERATION

OVERVIEW

IAG is committed to an integrated system of remuneration which provides for an annual remuneration review, performance based incentives and recognition arrangements.

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4.1 Remuneration Framework

4.1.1 Objectives

The principles which underpin IAG's approach to remuneration are intended to:

- (a) support IAG's Purpose by focusing Employees' behaviour and performance on:
 - (i) delivering positive outcomes for customers and the community;
 - (ii) building the desired culture within IAG;
 - (iii) generating value for our shareholders.
- (b) support the attraction and retention of talent with the capabilities and skills needed to drive business performance and deliver IAG's strategy;
- (c) promote accountability and encourage behaviours that support effective risk management and IAG's long-term financial soundness;
- (d) reduce the risks of misconduct, regulatory and compliance breaches and other non-financial risks;
- (e) be simple to understand, delivering pay parity and outcomes that are fair and equitable; and
- (f) provide flexibility for different business requirements now and in the future.

IAG's Fixed Pay framework is designed to reflect:

- (a) the skills and experience an Employee contributes to the role;
- (b) an Employee's performance;
- (c) the external market for a role (the supply and demand for a particular set of skills); and
- (d) how critical a role is to business success.

4.1.2 Fixed Pay Ranges

'Fixed Pay ranges' provide Managers with a guide to the median level of Fixed Pay currently being paid in the market for similar roles.

The Fixed Pay range for a role(s) is based around a midpoint which represents the market median of remuneration being paid in the external market for comparable roles. The market median represents the middle of what the market is paying for a particular role, e.g. 50% of the market pays above and 50% of the market pays below. IAG then builds the Fixed Pay range above and below the midpoint.

At IAG, Fixed Pay ranges are established and maintained by Group People, Performance and Reputation from credible, current remuneration data which is reviewed each year. The data is sourced from confidential, external remuneration surveys which combine salary information of numerous organisations, including competitors.

4.1.3 Fixed Pay Increases

- (a) An Employee is eligible for a Fixed Pay increase during the Term in accordance with this clause 4.1.3, provided that the Employee:
- (i) has been employed by IAG for at least 12 months as at 1 July immediately before the relevant Fixed Pay increase;
 - (ii) is eligible to participate in a Short Term Incentive Plan of 20% or less;
 - (iii) has completed all mandatory training requirements on time and has not engaged in any compliance or risk based breaches (including breaches of IAG's code of conduct) in the previous 12 months, for which a formal written warning has been issued by IAG;
 - (iv) has not given or received notice of termination within 14 days of the date of payment in the relevant year; and
 - (v) has not received a Fixed Pay increase greater than or equal to the relevant Fixed Pay increase set out in clause 4.1.3(b) in the 12 months before the effective date of that increase.

- (b) Subject to clauses 4.1.3(c), (d) and (e), Fixed Pay increases will be as follows, payable from the commencement of the first full pay period in October:

Timing	Fixed Pay Increase
October 2021	1.5%
October 2022	1.5%
October 2023	1.75%

- (c) If a Fixed Pay increase will take an Employee's Fixed Pay over the maximum of the Fixed Pay range for their role, the Employee will receive an increase in their Fixed Pay up to the maximum of the Fixed Pay range for their role. Further, IAG will, in its absolute discretion, elect to either:
- (i) increase the Employee's Fixed Pay above the maximum of the Fixed Pay range by applying the entire Fixed Pay increase to the Employee's Fixed Pay; or
 - (ii) pay the Employee a one off payment. The one off payment will be calculated as equal to the amount by which the Fixed Pay increase exceeds the maximum Fixed Pay range for their role in respect of the following 12 month period.
- (d) Where an Employee's Fixed Pay is already over the maximum of the Fixed Pay range for their role, IAG will, in its absolute discretion, elect to either:
- (i) increase the Employee's Fixed Pay by the relevant Fixed Pay increase; or
 - (ii) pay the Employee a one off payment. The one off payment will be calculated as equal to the amount of the Fixed Pay increase in respect of the following 12 month period; or
 - (iii) apply a combination of both (d)(i) and (ii) above in proportions as determined by IAG in its absolute discretion.
- (e) Any one off payment to an Employee in a particular year under this clause 4.1.3, does not give rise to an entitlement to a one off payment, or the same amount of any one off payment, in subsequent years.

4.2 Incentive Plan

- (a) All permanent Employees will have the opportunity to participate in an incentive plan.
- (b) The incentive plan will operate in addition to the above process of reviewing Fixed Pay and will not be used to offset the value of future increases to Fixed Pay.

- (c) Employees may participate in an incentive plan applicable for their role but starts at a potential of 10% of their Base Salary which is based on a combination of organisational, Business Unit and team and/or individual performance.
- (d) Incentive plans will be determined by Business Units with input from Employees covered by the plan.
- (e) For the individual component, Employees must be able to influence the outcome through the establishment of relevant objectives.
- (f) The performance goals/targets necessary to qualify for a payment under an incentive plan will be clearly articulated, documented and communicated at the beginning of the operating period and feedback on performance against targets given regularly e.g. at the conclusion of each half year or year subject to the operation of the particular plan.

4.3 Recognition Program

- (a) Recognition is an important component of IAG's remuneration framework. IAG has a recognition program in place in each division to recognise events such as key milestones, performance, achievement, excellence, behaviours, leadership and innovation.

Recognition may be formal through a divisional recognition program or informally at a team or Business Unit level.

- (b) The recognition component will operate in addition to the above processes of reviewing Fixed Pay and will not be used to offset the value of future increases to Fixed Pay.

4.4 Performance Principles

- (a) IAG's Performance Principles are designed to help achieve IAG's organisational objectives.

- (b) The Performance Principles include:

- (i) demonstrating the alignment between organisational, team and/or individual goals, including the contribution made by each Employee;
- (ii) an approach that ensures Employee performance is assessed against reasonable, relevant and measurable performance expectations/goals;
- (iii) the identification of, and support for, ongoing development to support Employees in their current role and future career aspirations; and
- (iv) the provision of regular and transparent feedback on Employee performance, which may include the reasonable adjustment of specific goals and targets throughout the performance cycle to ensure continued alignment with business priorities, risk appetite and role accountabilities.

4.5 Minimum Rates

Effective from the Commencement Date, the minimum rates of Base Salary in IAG for the classifications in this Agreement as defined are:

Level	Agreement Minimum Rates (Per Annum)
1	\$43,760.00
2	\$47,920.00
3	\$ 50,610.00
4	\$ 53,150.00
5	\$ 55,310.00
6	\$ 61,950.00

The classification structure and descriptors for the above classification Levels are contained in Annexure A.

- 4.5.1 During the term of this Agreement, IAG will increase these minimum rates in accordance with increases to minimum rates prescribed in the Award.

The Agreement will continue to incorporate minimum rates of pay which will be 5% above the minimum rates prescribed in the Award.

4.5.2 Reconciliation

- (a) IAG will, in the Relevant Period, ensure that Employees receive payment and employment related benefits which are overall no less than the payments they would have been entitled to if they had been paid in accordance with the Award.
- (b) In determining whether any amount is payable in the Relevant Period for work performed over that period, IAG will take into account all payments and employment related benefits received by the Employee including (but not limited to):
- (i) the actual remuneration paid to the Employee for Ordinary Hours worked, including any remuneration over the minimum rates provided for by this Agreement;
 - (ii) any loadings, penalty rates, payment for overtime or allowances paid to the Employee;
 - (iii) any bonuses or other incentive payments paid in the Relevant Period; and
 - (iv) any superannuation contributions made in respect of an Employee in excess of the minimum level of superannuation contributions which IAG must make under the *Superannuation Guarantee (Administration) Act 1992* and the *Superannuation Guarantee Charge Act 1992*.
- (c) **Relevant Period** means each 3 month period calculated from the Commencement Date during which this Agreement is in operation, provided that:
- (i) the last period may be shorter if the Agreement ceases to operate prior to a twelve month anniversary of the Commencement Date; and
 - (ii) if an Employee ceases to be covered by this Agreement (because their employment terminates or otherwise) the relevant period for that Employee will end on the date they cease to be covered by this Agreement.

4.6 Superannuation

An Employee will be given the option to nominate their own superannuation fund. If an Employee does not elect a superannuation fund, IAG will make contributions in respect of the Employee to a complying superannuation fund as nominated by IAG (Default Plan). IAG reserves the right to change the Default Plan from time to time. During the Term, IAG will advise the FSU of any decision by IAG to change the nominated Default Plan.

4.7 Allowances

4.7.1 Higher Duties Allowance

Where an Employee is required by IAG to relieve in a job which is at a level higher than the job in which the Employee usually works, for a period of more than four consecutive working days, the Employee must be paid at least the minimum rate prescribed in this Agreement for the higher job level.

4.7.2 Travel Allowance

Where an Employee is required as part of their role, to work at a location other than their usual place of employment, they will be reimbursed for any reasonable additional expenses incurred in travelling to and from the temporary location.

4.7.3 Motor Vehicle Allowance

Where a Manager approves an Employee to use their own car on an ad hoc basis, to travel to other work locations, the Employee will be paid an allowance for the use of their private motor vehicle at the rate of 80 cents per kilometre travelled.

Employees who have a Tool of Trade vehicle or a Salary Sacrifice Motor Vehicle under IAG policy will not be eligible to claim the Motor Vehicle Allowance under this Agreement.

4.7.4 Tropical Allowance

Employees who as at the Commencement Date of this Agreement had an entitlement to be paid the tropical allowance under the 2012 Agreement will continue to be paid the allowance while they are employed in the Northern Territory and in and north of Rockhampton, will receive a tropical allowance of:

- \$563.14 per annum for Employees over 21 years of age; or
- \$266.31 per annum for Employees under 21 years of age.

4.7.5 Adjustment of Allowances

IAG will review the monetary amounts of the allowance contained in clause 4.7.3 above at the time any adjustment to allowance amounts are made under the Award. Where any allowance in this Agreement is greater than the amount provided for under the Award, no adjustment to the allowance will be made until the allowance amount under the Award equals the amount provided for in this Agreement.

5. LEAVE

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Intent

The provisions in this Agreement about leave are intended to reflect and supplement the NES.

5.1 Annual Leave

The intent of annual leave is to provide Employees with an opportunity to take a break from work.

5.1.1 Entitlement to Annual Leave

For each year of service with IAG full-time and part-time Employees are entitled to:

- (a) four weeks of paid annual leave, subject to Annexure B;
- (b) part-time Employees will accrue annual leave according to their Ordinary Hours of work, subject to clause 3.2.4; and
- (c) Employees located in the Northern Territory, will receive an additional five days of annual leave for each year of continuous service that they are located in the Northern Territory.

5.1.2 Accrual of Annual Leave

An Employee's entitlement to annual leave will accrue progressively during each year of continuous service in accordance with the NES, and accumulates from year to year.

Annual leave does not accrue when an Employee takes a period of unpaid leave (including unpaid Parental Leave and/or Childcare Leave).

5.1.3 Taking Annual Leave

- (a) Employees may take annual leave at a time mutually agreed between an Employee and their Manager.
- (b) In the interest of the wellbeing of Employees, Employees are encouraged to take their full annual leave entitlement each year. IAG may require an Employee to take annual leave in a period of at least two consecutive weeks each year. If an Employee has compelling personal circumstances an Employee and their Manager may agree that a minimum of five consecutive days be taken.
- (c) To ensure that an Employee's annual leave accrual remains at a manageable level, IAG or an Employee cannot allow annual leave to accrue in excess of eight weeks without leave being scheduled to be taken within the next 12 months.

Where an Employee has an annual leave accrual in excess of eight weeks, the Employee and their Manager will agree on a plan to reduce the Employee's remaining annual leave to

an appropriate level. The Employee will not be required to reduce their annual leave to less than six weeks' leave and must schedule leave to be taken within the next 12 months.

Where an Employee fails to take such leave, a Manager may direct the Employee to take annual leave at a specified time. In such cases the Employee must be given at least eight weeks' notice. The period of leave taken will be a period of at least two consecutive weeks.

5.1.4 Shut-down period

- (a) The nature of IAG's business is such that many Business Units will partially or completely shut-down operations at some time of the year and the Business Unit will operate with skeleton staff only. Such shut-down periods will generally apply over the Christmas, New Year and/or Easter periods.
- (b) The maximum period of any shut-down will be 5 consecutive days once per annum per Employee.
- (c) IAG may determine, at its discretion, which Employees are not required to work during the shut-down period by providing at least 4 weeks' notice of the shut-down. In determining which Employees are not required, IAG will, where practicable, endeavour to take into account the preferences of Employees when making this selection.
- (d) If an Employee is not required to work and they have accrued sufficient annual leave, the Employee will be required to take that leave during the shut-down.
- (e) If an Employee does not have sufficient accrued annual leave to cover part or all of any shut-down period(s), the Employee may elect to take:
 - (i) leave without pay; or
 - (ii) annual leave in advance,for the remaining part of the shut-down period(s).

5.1.5 Cashing out Annual Leave

An Employee may elect to cash out part of their accrued annual leave entitlement for the equivalent cash value of the leave provided that:

- (a) each cash out of annual leave must be made by a separate agreement in writing between IAG and the Employee;
- (b) the Employee maintains an annual leave balance of four weeks' leave after the cash out of annual leave;
- (c) Employees may only cash out annual leave in 1 week blocks, with the minimum amount of annual leave permitted to be 'cashed out' being 1 week of leave;
- (d) the Employee has taken at least two weeks of annual leave in the 12 month period prior to the date of the requested cash out;
- (e) the Employee can only cash out annual leave once in any 12 month period; and
- (f) the Employee will be paid the amount that would have been paid to the Employee had the Employee taken the annual leave.

5.1.6 Annual Leave Loading

Employees will be paid an annual leave loading when they take a period of annual leave as follows:

- (a) 17.5% of Base Salary subject to the Annual Leave Loading Limit; or
- (b) if applicable, the relevant weekend penalty rates;

whichever is the greater but not both.

5.1.7 Sick /Carer's or other Leave while on Annual Leave

Where an Employee is absent on an approved period of annual leave and instead, may be entitled

to:

- (a) Sick/Carer's Leave (in accordance with clause 5.4 of the Agreement); or
- (b) compassionate leave (in accordance with clause 5.5 of the Agreement); or
- (c) community service leave (in accordance with clause 5.12(b) of the Agreement);

the period of annual leave which applied to the absence will be re-credited and replaced with the applicable leave entitlement as stated above. This circumstance will only apply where an Employee has sufficient leave to cover the period of absence.

For annual leave to be reinstated and replaced with Sick/Carer's Leave, the absence must be supported by a medical certificate. For compassionate leave or community service leave, proof of absence will be in accordance with the relevant clause in this Agreement.

5.1.8 Annual Leave in Advance

- (a) An Employee and their Manager may agree to the Employee taking a period of leave before the entitlement to the leave has accrued.
- (b) If the Employee is under 18 years of age, there must be an agreement in writing which is signed by IAG and the Employee's parent or guardian.
- (c) IAG will keep a copy of any agreement under clause 5.1.8(b) as an employee record.
- (d) If, on the termination of the Employee's employment, the Employee has not accrued an entitlement to all of a period of paid annual leave already taken in accordance with an agreement under clause 5.1.8, IAG may deduct from any money due to the Employee on termination an amount equal to the amount that was paid to the Employee in respect of any part of the period of annual leave taken in advance to which an entitlement has not been accrued.

5.2 Long Service Leave

5.2.1 Long service leave will be in accordance with the *NSW Long Service Leave Act 1955* (NSW LSL Act) as amended from time to time, other than as provided for in subclause 5.2.2 and 5.2.3.

5.2.2 Key features of long service leave at IAG include:

- (a) two months' leave (8.66 weeks) for ten years' service;
- (b) access to leave after ten years; and
- (c) payment of pro rata long service leave on termination where an Employee has between five and ten years' service and leaves IAG because of illness, incapacity, or domestic or other pressing necessity, or where the Employee's employment is terminated by IAG for any reason except serious misconduct.

5.2.3 Phased retirement

For Employees who have reached 10 years of service with IAG, they may elect to take part of their long service leave entitlement in single day absences as part of a transition to retirement arrangement as agreed with their Manager.

IAG will develop a policy and procedures to support this initiative.

5.2.4 Accrual of Long Service Leave while on unpaid leave

Long service leave will continue to accrue when an Employee takes a period of authorised unpaid leave including any form of Parental Leave or Childcare Leave.

5.3 Mid-Service Leave

5.3.1 Full-time and part-time Employees who have 7 years of continuous service with IAG, will be entitled to one week of additional leave per year until their tenth anniversary of service (Mid Service Leave).

- 5.3.2 Mid-Service Leave is non-cumulative and will not be paid out on termination of employment. Employees must use the leave in the service year that it falls due. If the leave is not taken, the leave for that year will be forfeited.
- 5.3.3 Employees may take Mid-Service Leave at a time mutually agreed between the Employee and their Manager. Employees will be encouraged to take their Mid-Service Leave at a time that is suitable to business needs.
- 5.3.4 During the life of this Agreement, it is possible that the Federal Government will review the Long Service Leave National Employment Standard (LSL NES). If there is a variation to the LSL NES, IAG may review and vary the Mid-Service Leave benefit under this clause to assess the interaction with the benefits provided for Employees under the LSL NES.
- 5.3.5 Full details of the policy and procedures for Mid-Service Leave can be accessed on IAG's intranet.

5.4 Sick /Carer's Leave

5.4.1 Sick /Carer's Leave entitlement

- (a) Full-time Employees are entitled to:
 - (i) 10 days per annum of paid Sick/Carer's Leave during their first two years of service with IAG; and
 - (ii) 12 days per annum in their third and subsequent years of service.
- (b) Part-time Employees will accrue an amount of paid Sick/Carer's leave based on the entitlement above, calculated on a pro rata basis according to the Employee's Ordinary Hours of work.
- (c) Paid Sick/Carer's leave accrues progressively during a year of continuous service and accumulates from year to year. It is not paid out on termination of employment.
- (d) Sick/Carer's Leave may be taken as full or half days.
- (e) Employees may use as many days as is necessary for family illness, depending on their current entitlement. However, Employees are encouraged to manage their Sick/Carer's leave levels so they have sufficient leave remaining for themselves.
- (f) Full-time and part-time Employees are entitled to paid Sick/Carer's Leave calculated based on their Base Salary. For Casual Employees Sick/Carer's Leave is unpaid.

5.4.2 Notice of Absence

To help balance business needs Employees must notify their Manager as soon as possible in advance of taking Sick/Carer's Leave.

Where it is not possible to provide notice in advance, the Employee must notify their Manager as soon as possible of their need to take Sick/Carer's Leave.

5.4.3 Proof of Absence for Sick Carer's Leave

- (a) Employees may take 4 days Sick/Carer's leave per annum, with a maximum of 2 consecutive days taken as Sick/Carer's Leave without being required to provide a medical certificate or other relevant supporting documentation to the satisfaction of their Manager.
- (b) A medical certificate will be required for all Sick/Carer's Leave absences taken in excess of 2 consecutive days.
- (c) If Carer's Leave is taken, the reasons for the leave must be provided to the Employee's Manager at the time of notification.

5.4.4 Unpaid Carer's Leave

Where an Employee has exhausted their paid Sick/Carer's leave entitlement, an Employee is entitled to 2 days of unpaid Carer's Leave per occasion.

5.5 Compassionate Leave

An Employee is entitled to 2 days of paid compassionate leave for each occasion where an Employee's Immediate Family Member or member of their household:

- (a) contracts or develops a personal illness that poses a serious threat to their life; or
- (b) sustains a personal injury that poses a serious threat to their life; or
- (c) dies.

A part-time Employee will also be entitled to 2 days of paid compassionate leave in accordance with their Ordinary Hours of work on those days.

Where an Employee's Immediate Family Member or member of their household dies, the Employee will be entitled to an additional day of compassionate leave. In this circumstance, where an Employee exhausts their entitlement to compassionate leave and requires additional leave, they may also access any remaining entitlement to Personal & Emergency Leave.

Full-time and part-time Employees are entitled to paid compassionate leave calculated based on their Base Salary. For Casual Employees compassionate leave is unpaid.

Compassionate leave does not accrue from year to year.

IAG may provide additional paid or unpaid compassionate leave on a discretionary basis.

5.5.1 Taking Compassionate Leave

Employees must notify their Manager of their intention to take compassionate leave including the estimated period of absence as soon as possible.

With their Manager's approval, Employees may split their compassionate leave entitlement.

5.5.2 Proof of Absence for Compassionate Leave

An Employee may be required to provide proof of absence for compassionate leave. This should be evidence that would satisfy a reasonable person. If evidence is not provided if requested, an Employee may not be paid for the absence.

5.6 Personal & Emergency Leave

Personal & emergency leave is paid leave that can be used in the following instances:

- (i) the death of a close relative or close friend (where compassionate leave does not apply);
- (ii) the death of an Employee's Immediate Family Member or member of their household where compassionate leave does apply. Personal & emergency leave can be taken in addition to an Employee's compassionate leave entitlement under clause 5.5 of this Agreement;
- (iii) attendance at medical appointments, where no immediate medical attention is required (including attending pre-natal appointments for the Employee or the Employee's Partner; and attending interviews or examinations required in order to obtain approval for the Employee's adoption of a child) where appointments are not available outside an Employee's working times;
- (iv) the unforeseen absence of a child's carer or the unforeseen closure of a child's school or childcare centre;
- (v) other personal emergencies such as storm damage to home, burglary etc;
- (vi) the residence of the Employee and/or the community in which the Employee lives is impacted by a natural disaster; or
- (vii) a close relative or close friend is impacted by a serious illness or injury and the Employee is otherwise impacted (where Sick/Carers leave does not apply).

5.6.1 Personal & Emergency Leave Entitlement

The amount of personal & emergency leave is updated each year based on an Employee's length

of service with IAG and is set out below. However, personal & emergency leave does not accrue from year to year.

Length of Service	Entitlement Per Year
Year One	2 days
Year Two	3 days
Third and subsequent years	4 days

Employees must be employed for a continuous period of three months before they may access this entitlement. Personal & emergency leave may be approved by an Employee's Manager within the first three months in special circumstances.

Personal & emergency leave must not be used where an Employee is entitled to use Sick Leave, Carer's Leave or compassionate leave and one of those forms of leave is considered to be more appropriate in the circumstances.

Personal & emergency leave may be used to provide care for an Employee's Immediate Family Member or member of their household if their Sick/Carer's Leave has been exhausted (provided the Employee is eligible for Sick/Carer's Leave in accordance with clause 5.4).

Personal & emergency leave may be taken as full or half days, however for absences related to attending specialist appointments, half day absences will be encouraged. If a full day absence is required, the Employee should discuss this with their Manager prior to taking leave.

5.6.2 **Notice of Absence**

Employees must notify their Manager as soon as possible in advance of the need to take personal & emergency leave.

Where it is not possible to provide notice in advance, the Employee must notify their Manager as soon as possible of their need to take personal & emergency leave.

5.6.3 **Proof of Absence for Personal & Emergency Leave**

A Manager may require an Employee to provide proof of absence for personal & emergency leave.

- (a) If an Employee uses personal & emergency leave, once their Sick/Carer's leave has been exhausted, to care for an Employee's Immediate Family Member or member of their household, a medical certificate should be provided for any absence.
- (b) Absences related to attending medical appointments must be supported by satisfactory evidence.
- (c) All absences relating to a child's school or childcare arrangements must be accompanied by a letter or notice from the relevant school or body, explaining the nature of the situation.

5.7 Parental Leave

Intent

IAG values the contribution Employees make and encourages their return to work following Parental and Childcare Leave.

5.7.1 **Parental Leave**

Unpaid Parental Leave is provided for in the NES. At a high level, and without altering the entitlement, we note some of the key details below.

After 12 months of continuous service, full-time and part-time Employees and Eligible Casuals are entitled to up to 12 months' unpaid Parental Leave (unless the period is extended) if the leave is associated with:

- (a) the birth of their child or the birth of their Partner's child; or
- (b) the placement of a child with the Employee for adoption, and the Employee has or will have a responsibility for the care of the child.

Parental Leave in the case of adoption is only available in relation to the placement of a child under 16 years as at the day (or expected day) of placement. The Employee will not have an entitlement to Parental Leave (including any paid or unpaid Parental Leave) if the child is a child or stepchild of the Employee or the Employee's Partner, or a child who has lived continuously with the Employee for a period of six months or more.

An Employee must take Parental Leave (including any paid and unpaid Parental Leave) in a single continuous period. Parental Leave is only available to one parent at a time, except where a parent takes Concurrent Leave.

Where an Employee's Partner takes Parental Leave, an Employee may take up to 8 weeks' unpaid Parental Leave concurrently with their Partner's period of Parental Leave (**Concurrent Leave**). The Concurrent Leave may be taken in separate periods during their Partner's period of Parental Leave after the date of birth or placement of the child with each period being no shorter than 2 weeks. The Employee may agree with their Manager to take their leave in smaller blocks to allow the Employee to stagger their return from leave by using their leave to work a lesser number of days per week.

While eligibility for unpaid Parental Leave is governed by the NES, the entitlement as it applies to adoption-related leave is available for surrogacy where the Employee has responsibility for the care of the child following the placement of the child in the Employee's care following the child's birth. The entitlement does not extend to the surrogate (unless required by law).

5.7.2 **Paid Parental Leave**

An Employee who takes Parental Leave at the time of the birth of their child or the placement of the child and is (from the date of birth or placement of the child) or will be (from the period prior to the child being born) the primary carer for the child, is entitled to 14 weeks of the Parental Leave being paid leave (or 28 weeks at half pay) (**Paid Primary Carer's Leave**).

An Employee who is eligible for, and takes, Concurrent Leave is entitled to 3 weeks of the leave being paid leave (**Paid Secondary Carer's Leave**). If such an Employee subsequently becomes the primary carer for the child during the first 12 months of the date of birth or placement of the child and takes Parental Leave during that period, the Employee will be eligible to receive payment for a further 3 weeks of the leave.

Paid Parental Leave will be paid to the Employee in accordance with their regular pay cycle from the date that the paid leave commences. The payment will be based on the Employee's average weekly Base Salary and regular loadings received during the complete pay period immediately prior to the commencement of the leave. However, where an Employee was working reduced hours in a safe job during the Employee's pregnancy, the payment will be based on the complete pay period immediately before the Employee transferred to the safe job.

Paid Parental Leave may only be taken concurrently with unpaid Parental Leave. Paid Parental Leave will not extend the total period of Parental Leave.

5.7.3 **Pre-birth and pre-adoption leave**

An Employee may access their personal & emergency leave under clause 5.6 of this Agreement to attend:

- (a) pre-natal appointments of the Employee or their Partner; or
- (b) interviews or examinations required in order to obtain approval for the Employee's adoption of a child (being pre-adoption leave under the NES) and/or the surrogacy of a child.

5.7.4 **Special Maternity Leave**

An Employee who was eligible to take unpaid Parental Leave prior to the passing of their child will be eligible for Special Maternity Leave in the following situations:

- (a) Where an Employee's pregnancy ends:
 - (i) within 28 weeks before the expected date of birth, other than by the birth of a living child; or
 - (ii) with the birth of a living child and the child passes away within 28 weeks of the child's birth;
- (b) Where an Employee:

- (i) would have been the primary carer for the child following the child's birth and the placement of the child in the Employee's care through adoption or surrogacy, but within 28 weeks before the expected date of birth there is a still birth; or
 - (ii) is the primary carer for their child following the placement of the child in the Employee's care through adoption or surrogacy and the child passes away within 28 weeks of their birth; or
- (c) If an Employee suffers illness related to her pregnancy but has not yet started her paid Parental Leave.

To take Special Maternity Leave the Employee must:

- (a) provide notice to their Manager as soon as practicable;
- (b) advise their Manager of their expected period of the Special Maternity Leave; and
- (c) provide their Manager with evidence, including medical evidence, of the need and their eligibility to take the leave, to the satisfaction of the Manager.

Special Maternity Leave is up to 14 weeks of paid leave. Any further leave provided by IAG (at its discretion) will be unpaid. Special Maternity Leave may be taken in multiple periods as agreed between the Employee and their Manager. Special Maternity Leave will be paid to the Employee in accordance with their regular pay cycle from the date that the paid leave commences. The payment will be based on the Employee's average weekly Base Salary and regular loadings received during the complete pay period immediately prior to the commencement of their period of leave. However, where an Employee was working reduced hours in a safe job during the Employee's pregnancy, the payment will be based on the complete pay period immediately before the Employee transferred to the safe job.

The entitlement to paid leave during a period of Special Maternity Leave will be reduced by any period of paid Parental Leave taken by the Employee under clause 5.7.2 and Special Maternity Leave will not extend an Employee's entitlement to paid Parental Leave.

If an Employee is suffering from an illness that is unrelated to the direct consequences of pregnancy, the Employee may use her Sick Leave entitlement.

This benefit is only available when an Employee has provided notice to their Manager of the requirement to take Special Maternity Leave under this clause after the Commencement Date of this Agreement.

5.7.5 Superannuation on parental leave

During periods of Parental Leave, IAG will make superannuation contributions on behalf of Employees in respect of up to 12 months of Parental Leave, such 12 months to include any period or periods of unpaid and paid Parental Leave and other kinds of paid leave taken by the Employee that is permitted to be taken simultaneously with unpaid parental leave by the Act. The superannuation contributions will be subject to the maximum superannuation contribution base as set by the Australian Taxation Office from time to time. .

Any superannuation contribution that is made for a period of unpaid Parental Leave will be made at the contribution rate of 13%, based on the Employee's average ordinary time earnings (as that term is defined in relevant superannuation legislation) during the complete pay period immediately prior to the commencement of the leave. However, where an Employee was working reduced hours in a safe job during the Employee's pregnancy, the payment will be based on the complete pay period immediately before the Employee transferred to the safe job

This benefit is only available for unpaid parental leave commenced after the Commencement Date of this Agreement.

5.7.6 Transfer to a Safe Job

If it is inadvisable for a pregnant Employee to continue in her present position because of an illness or risk arising out of her pregnancy or hazards connected with the Employee's position, the Employee may be transferred to an appropriate safe job if one is available.

The pregnant Employee must supply IAG with evidence that would satisfy a reasonable person that the employee is fit for work but that it is inadvisable for the Employee to continue in their present position because of an illness, or risks, arising out of the pregnancy or hazards connected with their position.

If a safe job is not available, then the Employee will be eligible to no safe job leave for the risk period in accordance with the Act.

5.7.7 Applying for Parental Leave

To take Parental Leave the following criteria must be met:

- (a) at least 10 weeks before starting the Parental Leave an Employee must provide to IAG:
 - (i) evidence which would satisfy a reasonable person of the expected date of birth of the child; or
 - (ii) in the case of adoption, evidence which would satisfy a reasonable person of the placement of the child and that the child will be under 16 at the placement or expected date of placement; or
 - (iii) in the case of surrogacy, evidence that will satisfy a reasonable person of the placement of the child in the Employee's care through surrogacy; and
 - (iv) notice of when the Employee intends to commence Parental Leave and the expected end date of their Parental Leave.
- (b) At least four weeks before the intended start date of the Employee's Parental Leave, the Employee must confirm the start and end date of their Parental Leave or advise their Manager of any changes to the period of leave.
- (c) subject to the NES, the Employee has completed 12 months continuous service prior to commencing Parental Leave.

5.7.8 Consultation during Parental Leave

Employees on Parental Leave will not be treated less favourably when and if restructuring occurs.

5.7.9 Re-Commencing Employment from Parental Leave

Employees on Parental Leave are entitled to return to their original position at the end of their leave provided that position still exists. Where such position no longer exists the Employee is entitled to an available position for which the Employee is qualified and suited considering their skills and experience which is nearest in status and salary to that of their former position.

5.7.10 Working during Parental or Childcare Leave

- (a) Employees may undertake short-term employment with IAG while on unpaid Parental Leave or Childcare Leave (including keeping in touch days under the NES).
- (b) While undertaking this work, the Employee will be paid an hourly rate calculated by dividing the appropriate fortnightly salary for the position they will be acting in, by normal ordinary working hours.
- (c) Employees who work during Parental Leave or Childcare Leave will accrue annual leave on the basis of the number of hours worked.
- (d) This employment will not alter the Employee's contract of employment nor affect any Parental Leave or Childcare Leave entitlements.
- (e) Employees may not work for another organisation while on Parental Leave or Childcare Leave.
- (f) Employees will continue to accrue Sick/Carer's Leave and long service leave on any period of unpaid Parental Leave or Childcare Leave. Annual leave will not accrue on any period of unpaid Parental or Childcare Leave taken. Employees will accrue annual leave, Sick/Carer's Leave and long service leave on any period of paid Parental Leave taken.

For full details of IAG's Parental Leave conditions Employees should refer to the relevant policies and procedures on the intranet.

5.8 Benefits for surrogates

An Employee who is a surrogate and meets the criteria for Parental Leave but for the fact that the Employee will not be a primary caregiver of the child, will be entitled to 14 weeks of paid leave, which may

start up to 6 weeks before the expected date of birth of the child (or earlier if the Employee and IAG agree) but must not start later than the birth of the child. The leave must be taken in a single continuous period.

If the Employee's pregnancy ends within 28 weeks of the expected date of birth, other than by the birth of a living child, the Employee will be entitled to up to 14 weeks of paid leave, which may be taken in multiple periods as agreed between the Employee and their Manager, provided that the entitlement to paid leave under this paragraph will be reduced by any period of paid leave taken under the first paragraph of this clause.

Any paid leave will be paid to the Employee in accordance with their regular pay cycle from the date that the paid leave commences. The payment will be based on the Employee's average weekly Base Salary and regular loadings received during the complete pay period immediately prior to the commencement of the leave.

To take paid leave under this clause, the Employee must:

- (a) provide notice to their Manager as soon as practicable;
- (b) advise their Manager of their expected period of the leave; and
- (c) provide their Manager with evidence, including medical evidence, of the need and their eligibility to take the leave, to the satisfaction of the Manager.

5.9 Childcare Leave

5.9.1 Childcare Leave Entitlement

In addition to Parental Leave, Employees may take Childcare Leave. While Childcare Leave encompasses and is in satisfaction of any extended Parental Leave entitlements which an Employee may have under the NES, it is not intended to limit or reduce the operation of those entitlements under the NES.

Childcare Leave is up to 12 months of unpaid leave in addition to Parental Leave. It is available to full-time and part-time Employees who have taken a period of Parental Leave for the same child whilst employed with IAG and can be taken up until the child is six years of age.

5.9.2 Combining Parental and Childcare Leave

An Employee can take a period of Parental leave and Childcare leave together and have a maximum of 2 years off work for the one child. Should the Employee then commence another period of Parental Leave without returning to work, at the end of that Parental Leave they would be required to return to work for a period of at least six (6) months before being eligible to take a period of Childcare Leave for the subsequent child.

Employees may use their Childcare Leave in one of three ways:

- (a) Maximum two years leave at once

A two year continuous period comprising 12 months' Parental Leave in conjunction with an additional 12 months' Childcare Leave.

- 12 months' Parental Leave
- Up to 12 months' Childcare Leave

- (b) Maximum two years taken in two stages

A 12 month period of Parental Leave plus two additional blocks of up to six months' Childcare Leave. The first block of Childcare Leave is to be taken in conjunction with Parental Leave. The second block is available to be taken up until the child is six years of age.

- Up to 12 months' Parental Leave
- Up to six months' Childcare Leave
- At least a six month period at work
- Up to six months' Childcare Leave

- (c) Maximum two years taken in two stages.

Twelve (12) months' Parental Leave, with an additional 12 months' Childcare Leave taken at a later time, up until the child is six years of age.

- Up to 12 months' Parental Leave
- At least a six month period at work
- Up to 12 months' Childcare Leave

5.9.3 Re-commencing Employment after Childcare Leave

- (a) Childcare Leave taken for up to a period of 12 months immediately following a period of 12 months' Parental Leave

Employees taking Childcare Leave immediately following Parental Leave are entitled to return to their original position at the end of both periods of leave provided that position still exists.

Where such position no longer exists the Employee is entitled to an available position for which the Employee is qualified and suited considering their skills and experience which is nearest in status and salary to that of their former position.

- (b) Childcare Leave taken at any other time up until the child is 6 years of age

Employees taking Childcare Leave at any other time up until the child is 6 years of age can return to their original position if available. If this position has been filled or is no longer available the Employee will be entitled to return to a similar, available position.

5.9.4 Accrual of other leave whilst on Childcare Leave

Employees on Childcare Leave will continue to accrue Sick/Carer's Leave and long service leave but do not accrue any annual leave.

5.9.5 Untaken Leave

Untaken periods of Childcare Leave are not accumulated. As per current Parental Leave entitlements, any Childcare Leave not taken is lost. The birth of a second or subsequent child will cancel out any period of Childcare Leave not already taken from the first entitlement, however, the Employee would be eligible for a further period of Childcare Leave.

For further details of IAG's Childcare Leave conditions, Employees should refer to the relevant policies and procedures on the intranet.

5.10 Career Breaks

- 5.10.1 A career break is an extended period of leave without pay away from the workplace. The maximum amount of leave that is normally approved is 12 months.

An Employee may be eligible to take a career break for purposes including:

- (a) personal development;
- (b) extended travel opportunities i.e. three months or greater;
- (c) completing study;
- (d) dependant or elder care requirements;
- (e) to care for their grandchildren;
- (f) significant social or community responsibilities; or
- (g) a pressing domestic or personal necessity including, but not limited to:
 - where the employee or a close family member is impacted by a natural disaster;
 - gender affirmation or transition; or
 - where a close relative is impacted by a serious illness or injury.

5.10.2 Eligibility

Managers may consider the following factors when considering a request from an Employee to take a career break:

- (a) length of service;
- (b) the Employee's performance;
- (c) reason for the Employee applying for the leave; and
- (d) needs of the business and staffing levels required during the period of leave.

Employees are expected to exhaust all other accrued annual leave and/or long service leave available to them prior to or in conjunction with taking a career break.

5.10.3 Conditions

- (a) The Employee must make a written application for a career break to their Manager at least three months before the date the Employee wishes to commence the career break.
- (b) An Employee will not accrue annual leave while on a career break, however, long service leave and Sick/Carer's Leave will continue to accrue.
- (c) Employees will return to an appropriate available position on their return to work from a career break.
- (d) Full details of the policy and procedures for career breaks can be accessed on IAG's intranet.

5.11 Shorter Working Year

- (a) A permanent full time or part time Employee with at least 12 months' continuous service can apply to their Manager to purchase an additional amount of leave of up to six weeks per year by forgoing part of their Base Salary. This arrangement must be agreed between the Employee and their Manager and be consistent with business requirements.
- (b) If a request is approved by the Manager, the Employee will pay for the additional leave out of their Base Salary, as a before-tax deduction, over a three to 12 month period. Annual leave loading is not payable on this additional leave.
- (c) Full details of the policy and procedures for shorter working year can be accessed on IAG's intranet.

5.12 Volunteer Leave and other Community Service Leave

Employees may be entitled to take volunteer leave and other types of community service leave as follows:

- (a) Volunteer Leave
 - (i) Employees are eligible to take one day's paid leave per year to participate or volunteer in a recognised community or charity organisation.
 - (ii) Employees will be required to give at least five days' notice of their intention to take volunteer leave.
 - (iii) Evidence from the relevant community or charity organisation may be required confirming the Employee's participation in the community or charity work.
 - (iv) Full details of the policy and procedures for volunteer leave can be accessed on IAG's intranet.
- (b) Other Community Service Leave

Employees may be eligible for community service leave in accordance with IAG's policies including:

 - (i) Emergency Services Leave;

- (ii) Volunteering activities in a community recently impacted by natural disasters;
- (iii) Jury Service Leave; and
- (iv) Defence Force Leave.

Full details of these policies and their accompanying procedures can be accessed on IAG's intranet.

5.13 Family and Domestic Violence Leave

5.13.1 Entitlement

- (a) An Employee, including a Casual Employee, experiencing Family and Domestic Violence is entitled to 10 days per year of paid family and domestic violence leave. Additional paid leave may be provided on a discretionary and case by case basis in exceptional circumstances. Family and domestic violence leave is subject to the conditions specified in this clause 5.13.
- (b) The Employee may take family and domestic violence leave if:
 - (i) the Employee is experiencing Family and Domestic Violence; and
 - (ii) the Employee needs to do something to deal with the impact of the Family and Domestic Violence; and
 - (iii) it is impractical for the Employee to do that thing outside the Employee's Pattern of Hours.
- (c) An Employee, including a Casual Employee, may request family and domestic violence leave to provide support to a person experiencing Family and Domestic Violence. This leave is provided on a discretionary and case by case basis.
- (d) Family and domestic violence leave is provided yearly, is non-accruing and is not paid out on termination. Family and domestic violence leave may be taken in a single period, a full day or half day.
- (e) Paid family and domestic violence leave provided under this Agreement is in satisfaction of any unpaid family and domestic violence leave entitlement provided for under the NES.

5.13.2 Notice and Evidentiary Requirements

- (a) The Employee shall give IAG notice as soon as reasonably practicable of their request to take family and domestic violence leave under this clause.
- (b) If required by IAG, the Employee must provide evidence that would satisfy a reasonable person that the requirements specified in subclauses 5.13.1(b)(i) and 5.13.1(b)(iii) are met and the leave is taken for the purpose specified in subclause 5.13.1(b)(ii). Such evidence may include a procedural document issued by the police service or a court that indicates an Employee's requirement to attend a court, tribunal or other body for the purpose of legal proceedings, a medical professional (including a medical certificate), a family violence support service, a lawyer or a statutory declaration.

5.13.3 Individual Support and Return to Work

- (a) Where an Employee is experiencing Family or Domestic Violence, the Employee and IAG may agree to a pattern of flexible work.
- (b) Where an Employee is experiencing Family and Domestic Violence and has had an extended period of leave or time out of the workforce, IAG or the Employee may request a return to work plan. The purpose of a return to work plan is to help facilitate the Employee's successful return to work and will be mutually agreed between IAG and the Employee. A return to work plan may include a temporary change in the Employee's duties and/or working pattern, counselling and ongoing medical support.

5.13.4 Confidentiality

Information relating to Family and Domestic Violence will be kept confidential so far as is reasonably practicable, and only disclosed if required by law or for safety reasons.

5.13.5 Definition of Family and Domestic Violence

- (a) Family and Domestic Violence is defined, for the purpose of this Agreement, as violent, threatening or other abusive behaviour by a close relative of an Employee that:
 - (i) seeks to coerce or control the Employee; and
 - (ii) causes the Employee harm or to be fearful.
 A close relative of the Employee is a person who:
 - (iii) is an Immediate Family Member of the Employee; or
 - (iv) is related to the Employee according to Aboriginal or Torres Strait Islander kinship rules.
- (b) Family and Domestic Violence may include, but is not limited to:
 - (i) an assault;
 - (ii) a sexual assault or other sexually abusive behaviour;
 - (iii) stalking;
 - (iv) repeated derogatory taunts;
 - (v) intentionally damaging or destroying property;
 - (vi) intentionally causing death or injury to an animal;
 - (vii) unreasonably denying the family member the financial autonomy that he or she would otherwise have had;
 - (viii) unreasonably withholding financial support needed to meet the reasonable living expenses of the family member, or their child, at a time when the family member is entirely or predominantly dependent on the person for financial support;
 - (ix) preventing the family member from making or keeping connections with his or her family, friends or culture;
 - (x) unlawfully depriving the family member, or any member of the family member's family, of their liberty; or
 - (xi) where a child is exposed to family violence including where a child sees or hears family violence or otherwise experiences the effects of family violence.

where the criteria specified in clause 5.13.5(a) is met.

5.14 Gender Affirmation Leave

IAG supports Employees who identify as transgender or gender diverse as they undertake a gender transition or affirm their gender identity. Gender Affirmation Leave provides paid leave to Employees who wish to transition from the gender that they were assigned at birth, to their chosen gender identity.

The purpose of Gender Affirmation Leave is to support Employees who wish to transition from the sex and/or gender that they were assigned at birth including but not limited to areas such as:

- (a) hormonal replacement therapy and other types of medical intervention;
- (b) surgical procedures;
- (c) psychological support; and
- (d) other areas of legal and social transition.

5.14.1 Eligibility

In order to access Gender Affirmation Leave, an Employee must:

- (a) be employed by IAG for a period of at least 12 months on a permanent or fixed term basis;
- (b) intend to transition from the gender that they were assigned at birth; and
- (c) complete a Gender Affirmation Plan in accordance with this section.

5.14.2 Entitlement to Paid Gender Affirmation Leave

- (a) Employees who intend to transition from the sex and/or gender that they were assigned at birth are entitled to 4 weeks (20 days) of leave per year for the purpose of supporting their gender transition or affirmation.
- (b) Gender Affirmation Leave may be taken in a continuous period, half days or full days and accrues yearly over a maximum of three years to a maximum of 12 weeks (60 days) of leave.
- (c) Employees may request additional paid Gender Affirmation Leave, which may be granted on a discretionary and case by case basis in exceptional circumstances.
- (d) Employees may also access other forms of paid or unpaid leave such as Sick/Carer's leave, annual leave and long service leave, where the Employee meets the relevant eligibility criteria for that leave type.

5.15 NAIDOC Leave

5.15.1 Eligibility

- (a) Employees who identify as First Nation people, including Indigenous and Torres Strait Islanders, will be entitled to NAIDOC Leave in accordance with this provision.
- (b) NAIDOC Leave may only be used for the purpose of attending approved NAIDOC week cultural and community events and in accordance with IAG Policy.
- (c) Where an Employee attends a NAIDOC Week event as a representative of IAG, it will be considered time worked and will not exhaust the Employee's entitlement to NAIDOC Leave in accordance with this provision.

5.15.2 Entitlement

One day of paid NAIDOC Leave will be provided to eligible Employees each year, during the period recognised as NAIDOC week. NAIDOC Leave does not accrue and will expire on the final day of NAIDOC week for the relevant calendar year.

6. REDUNDANCY, REDEPLOYMENT AND RETRENCHMENT

OVERVIEW

In recognising that IAG must continue to adapt to maintain its competitive position within the marketplace, this Agreement outlines a range of redundancy, redeployment and retrenchment provisions which will apply when a need for restructuring a Business Unit has been identified. Where redundancy is identified, every effort will be made to avoid retrenchment through redeployment, retraining, normal employee turnover, managing recruitment and exploring other options for employees to remain in employment at IAG.

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6.1 Redundancy

6.1.1 When Redundancy Applies

Positions are redundant not people. Examples of when Redundancy may occur:

- (a) a position no longer exists, e.g. where the duties performed in a position(s) 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, e.g. 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.

6.1.2 When Redundancy Does Not Apply

Redundancy does not apply:

- (a) to Employees who leave IAG of their own choice;
- (b) where termination is a result of ill-health;
- (c) where termination is a result of unsatisfactory performance, dishonesty, fraud, misconduct or other actions warranting dismissal;
- (d) to Casual Employees or temporary Employees;
- (e) where there is a transfer of business or part of the business from IAG to another employer and an Employee whose position is part of that business is offered the same position or Suitable Alternative Employment with the new employer.

In this clause a transfer of business will only be deemed to take place if the Employee's continuity of service is taken not to have been broken by the change in employer and if any period of service with IAG is taken to be continuous service with the new employer. Recognition of an Employee's continuity of service is for all purposes in relation to leave entitlements and retrenchment benefits.

In this clause, a transfer of business includes a transfer of business under the Act, and any internal transfer or assignment of employment to any company in the IAG of companies; or

- (f) where an Employee accepts an internal transfer from one department to another, or transfer to another position with a different company in IAG.

6.2 Consultation

Where a situation arises that will lead to positions being made redundant and/or the Retrenchment of Employees, IAG will consult with:

- (a) affected Employees;
- (b) the FSU; and
- (c) any other nominated employee representative at an Employee's request.

Discussions will concern the reasons for the proposed redundancies and ways to minimise or avoid retrenchment of affected Employees. In these discussions, IAG will advise of the number and category of affected Employees and the timing of any likely Retrenchments.

6.3 Selection Process

Where selection for Redundancy is necessary due to the reduction in the number of like positions within a Business Unit, the selection will be based on matching performance and skills of Employees with the ongoing business need. The Employees assessed to be the most suitable in relation to performance and relevance of skills will be selected to continue in their current positions.

Where possible, IAG will also consider the preferences of Employees in the affected Business Unit, however, the primary factors for selection for Redundancy will be performance and skills.

6.4 Notification of Redundancy

Employees whose positions will be made redundant will be notified by IAG of the date that their position will become redundant.

6.5 Job Search (Avoiding Retrenchment)

- (a) 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.
- (b) 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 reduced or extended by agreement between IAG and the Employee.
- (c) 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.
- (d) During the job search period IAG and the Employee will actively seek alternative employment.
- (e) An Employee's job search period will be inclusive of their notice period set out in clause 6.11.

6.6 Suitable Alternative Employment

Suitable Alternative Employment means a position which:

- (a) is in the same Classification Level, in accordance with Annexure A of this Agreement, and does not involve a reduction of salary; and
- (b) is a position which the Employee has the skills and experience required to perform the role to a reasonable standard; or
- (c) 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

- (d) 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.

6.7 Safeguards

Employees will not be required to move to a location where they need to make major changes to their current personal situation such as place of residence, carer's responsibilities, formal community involvement, external study or employment arrangements of a spouse/partner.

Following discussions regarding moving, an Employee required to move will receive at least four weeks' notice from the time agreement to relocate has been reached. The period of notice may be shortened by agreement.

An Employee who is offered Suitable Alternative Employment or other continuing employment will be provided with the offer in writing including details of the position.

An Employee may seek the assistance of an employee representative (such as the FSU) and/or use the procedure for Resolving Workplace Issues if they have a grievance in relation to an offer of Suitable Alternative Employment or other continuing employment.

6.8 Offer of Suitable Alternative Employment Not Accepted

Where Suitable Alternative Employment is offered, but not accepted by an Employee, the Employee will not be entitled to retrenchment benefits in accordance with clause 6.11 of this Agreement.

6.9 Other Options for Continuing Employment

During the job search period IAG and the Employee may agree on other options which enable the Employee to continue in employment, but which do not meet one or more of the criteria of Suitable Alternative Employment.

Such a position could be a position at a lower salary level or a position where significant re-training is required. Where other employment is offered (which is not Suitable Alternative Employment), but is not accepted by an Employee, the Employee will maintain their entitlement to a retrenchment package.

(a) 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.

(b) Trial Period

Where an Employee accepts employment at a lower salary there will be a trial period of three (3) months in the new position at the lower salary level.

In all other situations a trial may be agreed between IAG and the Employee.

Should either the Employee or IAG find that the employment is unsuitable, the Employee's service may be terminated without loss of entitlement to retrenchment payments calculated from the date the service actually ends. If an Employee's salary has been reduced during the Trial Period, the Employee's retrenchment payment will be calculated on the Employee's salary immediately prior to the commencement of the Trial Period.

6.10 Retrenchment

6.10.1 Selection Process

Where selection for Retrenchment is necessary, because within a Business Unit the number of Employees in like positions needs to be reduced, selection will be based on matching performance and skills of Employees with the ongoing business need. The primary factors for selection for Retrenchment will be performance and skills. Where possible, IAG will also consider the preferences of affected Employees.

6.10.2 Advice of Retrenchment and Date of Effect

All Employees will be provided with written notice of their retrenchment. During the notice period,

Employees will be provided with details of their retrenchment package.

6.11 Retrenchment Benefits

6.11.1 On Retrenchment, Employees with less than 25 years' service will receive:

- (a) eight weeks' notice or payment in lieu of notice (calculated on the Employee's Salary), or a combination of notice and payment in lieu (to a total of 8 weeks' Salary) (notice); plus
- (b) three weeks' Salary for each year of continuous service to a maximum of 75 weeks' Salary (severance).

The minimum benefit that can be received (including both notice and severance) is 11 weeks' Salary and the maximum benefit that can be received is 83 weeks' Salary (including both notice and severance). The notice period will be inclusive of any job search period under clause 6.5.

6.11.2 On Retrenchment, Employees with 25 or more years of service or who are over 45 years of age will receive:

- (a) twelve weeks' notice or payment in lieu of notice (calculated on an Employee's Salary) or a combination of notice and payment in lieu (to a maximum of 12 weeks' Salary) (notice); plus
- (b) three weeks' Salary for each year of continuous service to a maximum of 75 weeks' Salary (severance).

The minimum benefit that can be received (including both notice and severance) is 15 weeks' Salary and the maximum benefit that can be received is 87 weeks' Salary (including both notice and severance). The notice period will be inclusive of any job search period under clause 6.5.

6.11.3 The payments provided for in clause 6.11 are in satisfaction of all termination entitlements including notice of termination and redundancy pay under the NES.

During the notice period, Employees shall be allowed reasonable time off, as agreed between an Employee and their Manager, to seek new employment. Where an Employee has received notice of retrenchment, the Employee shall not be entitled to any payments for notice not worked out.

Employees who have had service on a part-time basis (including where a part-time Employee's ordinary hours change on an ongoing basis) will have their entitlements calculated on a pro-rata basis, in respect of their relevant periods of work.

Additional hours paid at single-time rates worked by part-time Employees will be recognised for the calculation of retrenchment benefits.

6.11.4 Definition of Salary for Retrenchment Benefits

For the purposes of calculating Retrenchment benefits, Salary is defined as Base Salary plus shift allowance, penalty or loading regularly paid to the Employee for working their Ordinary Hours on Saturdays, Sundays, public holidays, or for late or early starts. It does not include overtime, bonuses or any other payments or allowances. For Employees who receive benefits in lieu of cash salary, the value of the benefits will be included in determining Base Salary.

6.11.5 Annual Leave

Each Employee will receive a payment in lieu of any annual leave entitlement. Annual leave loading is payable on accrued annual leave in accordance with the Act.

6.11.6 Long Service Leave

Employees with five or more years' continuous service will receive pro rata payment for long service leave.

6.11.7 Outplacement Support

Outplacement support will be offered to all Employees through an external outplacement organisation. Where requested, counselling and financial planning services will be provided by IAG at no cost to the Employee.

6.11.8 Income Protection

- (a) In recognition of the loss of accrued Sick/Carer's leave entitlements following Retrenchment, IAG will provide income protection insurance to Employees who:
 - (i) have been Retrenched from employment with IAG;
 - (ii) at the time of Retrenchment had 10 years' or more continuous service with IAG; and
 - (iii) gain permanent employment (either full-time or part-time) with a new employer within 12 months of Retrenchment from employment with IAG.
- (b) To be eligible for income protection insurance Employees must:
 - (i) notify IAG that they have gained employment with a new employer within 14 days of commencing that employment;
 - (ii) provide evidence satisfactory to IAG of employment with the new employer; and
 - (iii) advise IAG of the date employment with the new employer commenced.
- (c) Income protection insurance provided under this clause will be:
 - (i) based on the Employee's Base Salary immediately prior to Retrenchment from employment with IAG;
 - (ii) for a period of 12 months from the date of commencement of employment with the new employer; and
 - (iii) in respect of loss of income arising from illness or injury in accordance with the terms of the policy taken out by IAG.

7. RESOLVING WORKPLACE ISSUES

OVERVIEW

The best environment to resolve workplace issues that arise is at the local level. Managers and Employees should work together to resolve problems quickly, effectively and cooperatively without the need for external assistance or direction.

IAG expects its Managers to practise an open door policy so that Employees feel free to take issues up at a higher level if they cannot resolve them with their immediate Manager. Managers are expected to quickly and effectively resolve an Employee's grievances or concerns.

7.1 Procedure

This procedure will ensure that issues or grievances are resolved quickly, fairly and without disruption to business operations. Where an issue or grievance arises during the term of this Agreement about matters arising under this Agreement or the NES, it will be settled according to the following procedure:

Step	Action
1	The Employee should first discuss the matter with their immediate Manager who must make every effort to resolve the matter.
2	If the matter is not resolved, or if it is not appropriate to discuss the matter with their immediate Manager, the Employee should discuss the matter with their next level Manager who will attempt to resolve the matter. Alternatively an Employee can contact their Group People, Performance and Reputation representative directly who will work with the Employee and Manager to attempt to resolve the issue.
3	If the matter is not resolved at this point the Employee may, if appropriate, notify an employee representative (such as the FSU), who will discuss the matter further with the relevant Group People, Performance and Reputation representative.
4	If the matter is not resolved it will be brought to the attention of the relevant Head of Group People, Performance and Reputation. They or their nominee will discuss the matter with the Employee/their representative.
5	If the matter is not resolved by the parties in steps 1- 4 above, the parties may separately or jointly refer the matter to the FWC for resolution.

Employees may be represented by the FSU or other representative of the Employee's choice at any stage of this process.

8. WORKPLACE COMMITMENTS

OVERVIEW

IAG is committed to working with its Employees to achieve a healthy and productive working environment. Through the commitments and processes outlined in this section, IAG and Employees can adapt and respond to business and personal needs as they arise in a constructive, co-operative and mutually beneficial manner.

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8.1 Individual Flexibility Arrangements

8.1.1 IAG and an Employee covered by this Agreement may agree to make an individual flexibility arrangement to vary the effect of terms of the Agreement if:

(a) the Agreement deals with one or more of the following matters:

- (i) arrangements about when work is performed;
- (ii) overtime rates;
- (iii) penalty rates;
- (iv) allowances;
- (v) annual leave loading; and

(b) the arrangement is genuinely agreed to by IAG and the Employee.

8.1.2 **IAG will ensure that the terms of the individual flexibility arrangement:**

- (a) are about permitted matters under section 172 of the Act; and
- (b) are not unlawful terms under section 194 of the Act; and
- (c) result in the Employee being better off overall than the Employee would be if no arrangement was made.

8.1.3 **IAG will ensure that the individual flexibility arrangement:**

- (a) is in writing; and
- (b) is signed by IAG and the Employee and, if the Employee is under 18 years of age, is also signed by a parent or guardian of the Employee.

8.1.4 IAG will give the Employee a copy of the individual flexibility arrangement within 14 days after it is agreed to.

8.1.5 IAG or the Employee may terminate the individual flexibility arrangement:

- (a) by giving no more than 28 days' written notice to the other party to the arrangement; or
- (b) if IAG and the Employee agree in writing, at any time.

8.2 Consultation and Communication

8.2.1 A commitment to thorough and effective communication and consultation between IAG and its Employees is a major feature of this Agreement.

8.2.2 Managers will communicate regularly with Employees as a matter of normal ongoing practice regarding matters which may affect Employees or which may be of concern to them. Within business constraints Managers will consult with Employees about major workplace changes that are likely to have a significant effect on the Employees. Managers will consult with Employees and

endeavour to address concerns raised by Employees. Employees may elect to be represented in the consultation process by an employee representative such as the FSU.

- 8.2.3 IAG is committed to sharing relevant information with the FSU regarding major workplace change programs impacting on Employees (who are FSU members) about matters contained in this Agreement.
- 8.2.4 Where a major workplace change is likely to result in a situation that will lead to positions being made redundant and/or the Retrenchment of Employees, IAG will consult with affected Employees in accordance with clause 6.2.
- 8.2.5 In addition to clause 8.2.3 of this section, representatives from IAG Group People, Performance and Reputation and the FSU will meet on a regular basis to discuss IAG workplace change issues that impact on the Employees they represent.
- 8.2.6 Consultation will allow employee representatives, such as the FSU, an opportunity to contribute suggestions to IAG on behalf of Employees they represent and raise concerns regarding IAG operations or employee relations.

This process will, where possible, allow employee representatives the opportunity to provide input from Employees prior to the implementation of any proposed changes on the basis of its commitment to improving IAG's productivity and the quality of working life of Employees. Where planned changes are of concern to IAG, its Employees or their representative, every effort will be made to resolve such concerns through consultation and discussion.

- 8.2.7 Where there is a change to an Employee's regular roster or ordinary hours of work, IAG will consult with affected Employee's in accordance with clause 3.5.1(c).

8.3 FSU Recognition

IAG recognises the FSU as the union entitled to represent the industrial interests of IAG employees, in relation to matters pertaining to the relationship between IAG and its Employees.

IAG also recognises the right of each Employee to decide whether they will join or not join the union.

8.3.1 FSU Workplace Representatives

- (a) On an as needs basis and in consideration of operational requirements, workplace representatives will be provided with reasonable time and facilities during working hours to attend to union related issues.
- (b) Upon written advice from the FSU, IAG will recognise a nominated Employee to act as an FSU workplace representative for the following purposes:
- recruitment of members to the FSU;
 - discussion with FSU officials, other union members and potential members regarding work/union related issues;
 - representing members where appropriate in meetings with management upon request;
 - receiving information from the FSU; and
 - attending workplace FSU meetings.
- (c) Where available, IAG will provide FSU workplace representatives access to telephone, notice boards, the FSU website or other arrangements as agreed to communicate union information to FSU members within IAG.
- (d) FSU Officials will be invited to IAG induction programs to present to new recruits, for up to 30 minutes on the benefits of FSU membership.

8.3.2 Training

Upon application by the FSU and with IAG's agreement, an FSU workplace representative will be granted paid leave to attend training, a seminar or course related to the role of a workplace representative.

The provision of this leave will be granted in consideration of business and operational requirements. Paid

leave is provided on the requirement that the FSU provides IAG with four weeks written notice and if requested by IAG, the course agenda, contents and objectives.

8.3.3 FSU Honorary Officials

At the beginning of each calendar year, FSU may apply in writing for additional paid leave for Honorary Officials in order to attend events that occur during work hours.

8.3.4 Entry to the Workplace

- (a) In accordance with section 484 of the Act, IAG will allow Employees to meet with the FSU on IAG premises to hold discussions.
- (b) Employees will meet with the FSU at times/locations sensitive to IAG business needs and will ensure their discussions are held away from customers and during scheduled meal breaks or other breaks or as otherwise agreed.
- (c) IAG will provide, where possible, appropriate facilities to enable Employees to meet with FSU e.g. an office or private space or access to a meeting room or tea room for general discussion.
- (d) For an FSU official to access an IAG workplace in order to meet with Employees they will:
 - (i) provide at least 24 hours, but not more than 14 days' notice, before the entry, in accordance with section 518(3) of the Act;
 - (ii) not hinder or obstruct an Employee in the performance of their work during work times; and
 - (iii) exercise every care to preserve the confidentiality of all work, books or documents viewed during their visit under this clause.
- (e) This provision shall not be interpreted to provide the FSU with any rights of entry which are inconsistent with or additional to its rights under the Act.

8.3.5 FSU Fees

IAG will deduct FSU membership fees from payroll, where an Employee authorises the deduction in writing.

Annexure A: Classification Structure

Level 1

A Level 1 position is one in which Employees work within established routines, methods and procedures that are predictable and may require the exercise of limited discretion.

Typical activities and skills may include but are not limited to:

- applying basic office procedures;
- operating office equipment;
- receiving, sorting, distributing and filing correspondence and documents;
- performing basic manual or technical duties;
- performing defined data entry/inquiry tasks; and/or
- answering enquiries using a general knowledge of the employer's services.

IAG indicative job list— Office Trainee; Filing Clerk; Mail Sorting Officer

Level 2

A Level 2 position performs tasks and service requirements given authority within defined limits and employer established guidelines, using a more extensive range of skills and knowledge at a level higher than in Level 1.

Level 2 Employees are responsible for their own work which is performed within established routines, methods and procedures.

Typical activities and skills may include but are not limited to:

- processing of standard documentation;
- undertaking cashiering functions;
- answering enquiries from members and external parties using a detailed knowledge of specific business activities;
- drafting correspondence appropriate to job function;
- organising own work schedule; and/or
- providing information/assistance to other staff members.

IAG indicative job list— Administration Assistant / Officer; Claims Support Officer; Mail Room Officer

Level 3

A Level 3 position is one in which tasks and service requirements are performed using a more extensive range of skills and knowledge at a higher level than required in Level 2.

The position encompasses limited discretion in achieving task outcomes. A level of delegation and authority may be employed consistent with the job function and is performed predominantly within established policies and guidelines.

Those employed at this level are responsible and accountable for their own work, and may be expected to provide direction to other staff.

Typical activities and skills may include but are not limited to:

- undertaking of projects;
- preparing reports and recommendations within their own job function;
- drafting of routine correspondence;
- administering/maintaining staff records; and/or
- delivery and/or co-ordination of learning and development activities.

IAG indicative job list: Claims Lodgement Consultant; Customer Service Consultant; Insurance

Solutions Consultant; Lodgement Consultant; Customer Business Consultant; Case Manager.

Level 4

A Level 4 position is one in which tasks and service requirements are performed using a more extensive range of skills and knowledge at a level higher than required at Level 3. Those employed at this level are responsible for their own work and any employees under their control.

Positions at this level require the application of relevant specialist knowledge and experience.

Those employed at this level would be required to advise on a range of activities and contribute to the determination of objectives within the required area of expertise.

Typical activities and skills may include but are not limited to:

- managing and maintaining service standards;
- overseeing day-to-day operations of functional areas of responsibilities;
- implementing and maintaining effective controls;
- initiating disciplinary processes;
- assisting with the recruitment and selection of staff; and/or
- preparing of reports.

IAG indicative job list — Assessor, Underwriter, Account Manager, Senior Case Manager, Analyst Programmer, Injury Management Advisor, Senior Injury Claims Consultant, Personal Assistant, Business Analyst.

Level 5

A Level 5 position is one in which tasks, service requirements and supervisory functions are performed using a more extensive range of skills and knowledge at a higher level than required at Level 4. The position may be:

- a specialised role, possibly supported by one or two junior staff members, requiring formal qualifications and/or specialised vocational training; and/or
- a managerial role (managing 5–10 people) responsible for the operation of part or parts of the employer's business.

Those employed at this level exercise considerable discretion and/or are responsible for operational planning.

IAG indicative job list — Team Manager, Senior Analyst Programmer, Business Sales Executive, Retail Business Manager, Technical Manager

Level 6

Those employed at this level perform a middle managerial role primarily to control the conduct of a part of the employer's business and in which decisions are regularly made and responsibility accepted on matters relating to the administration and conduct of a part of the business. Those responsible for managing more than 10 people must be classified at this level.

IAG indicative job list — Portfolio Manager, Claims Manager, Senior Systems Analyst, Operations Manager, Claims and Injury Manager, Manager

Annexure B: Transitional Arrangements

1. 140 HOURS ARRANGEMENTS

1.1 Introduction

After the commencement of the 2003 Agreement, a number of Employees elected to remain on full-time Ordinary Hours of 140 hours per four week cycle (or a pro-rata equivalent for part-time Employees) in accordance with the 2003 Agreement (the **140 Hours Arrangement**).

1.2 For Employees Employed on the 140 Hours Arrangement:

(a) Ordinary Hours

In a number of clauses of the Agreement, there is a reference to Ordinary Hours of work being 150 hours per four week cycle (37.5 hours per week). For Employees employed on the 140 Hours Arrangement, the following sections will be read and interpreted as 35 hours per week or 140 hours per four week cycle:

Section	Clause	Page
Types of employment at IAG		
	Full-time employment	8
	Part-time employment	8
Hours of work		
	Ordinary Hours	10
	Application of Overtime	12
	Overtime for Part-time Employees	13
	Flex time arrangements	14
	Rostered Days Off	15

(b) In the following clauses of the Agreement, 37.5 hours will be interpreted as 35 hours:

- (i) Additional Hours for Part-time Employees (clause 3.2.2 of the Agreement); and
- (ii) Overtime for Part-time Employees (clause 3.7.3 of the Agreement).

(c) Varying the 140 Hours Arrangement

Any Employee who elects to remain on the 140 Hours Arrangement will not be required to increase their hours to 150 hours per four week cycle (or pro-rata equivalent), except by Mutual agreement.

(d) No disadvantage

Employees who elect to remain on the 140 Hours Arrangement will not be disadvantaged in relation to:

- (i) conditions of employment;
- (ii) remuneration, including annual remuneration reviews and selection for rewards or bonuses;
- (iii) performance assessment;
- (iv) the working of Overtime; or
- (v) promotion, selection or career-path opportunities.

1.3 Safeguard

An Employee who elects to increase their Ordinary Hours to 150 hours per four week cycle and receives compensation for that change, will not be disadvantaged in future annual remuneration reviews. The amount of compensation received to increase an Employee's Ordinary Hours, will not be used to offset any future adjustments to Fixed Pay in the annual remuneration review process.

1.4 Conversion of Leave Entitlements

Where an Employee changes from 140 hours per four week cycle to 150 hours per four week cycle, existing leave accruals will be converted to reflect the new Ordinary Hours arrangements from the effective date of the change. The leave provisions will be adjusted in the following manner:

$$LB = \frac{ELB}{7} \times 7.5$$

Where:

- LB** = An Employee's Leave Balance (in hours)
- ELB** = An Employee's existing leave balance (in hours)
- 7** = Daily hours based on a full-time 35 hour week
- 7.5** = Daily hours based on a 37.5 hour week

For example

Annual leave for a full-time Employee is 20 days per year which equates to 140 hours per year based on a 35 hour week. A full-time Employee who has 140 hours of annual leave accrued, and elects to increase their hours to 37.5 hours per week will have their annual leave balance adjusted in the following way, to ensure that they would still have 20 days of annual leave.

$$AL = \left(\frac{140}{7} \times 7.5 \right) = 150$$

Where:

- AL** = An Employee's annual leave balance (in hours)
- 140** = An Employee's existing leave balance (in hours)
- 7** = Daily hours based on a full-time 35 hour week
- 7.5** = Daily hours based on a 37.5 hour week

150 = The employee's new annual leave balance

Sick Leave

Jan has 54 days of Sick/Carer's Leave accrued as a full-time Employee working 35 hours per week (378 hours). Jan elects to increase her hours to 37.5 hours per week. Jan's Sick/Carer's Leave balance will be adjusted in the following way:

Where:

$$SL = \left(\frac{378}{7} \times 7.5 \right) = 405$$

SL = An Employee's Sick/Carer's Leave balance (in hours)

378 = An Employee's existing Sick/Carer's Leave balance (in hours)

7 = Daily hours based on a full-time 35 hour week

7.5 = Daily hours based on a 37.5 hour week

405 = The Employee's new Sick/Carer's Leave balance

2. Transitional Ordinary Hours Arrangements

- 2.1 Employees employed with SGIO as at 12 September 1999, may only be required to work their Ordinary Hours within the span 8.30am to 5.30pm Monday to Friday. However, Employees may agree to work their Ordinary Hours within the wider span, in accordance with clause 3.1.2.
- 2.2 Employees as at the certification date of the 2003 Agreement, whose terms and conditions were set by the CGU Insurance Enterprise Agreement 2002/2004 may work their Ordinary Hours within the span of 7am to 9pm Monday to Saturday or in Call Centres, 7am to 10pm, Monday to Saturday.

Signing Page

EXECUTED as an Agreement

SIGNED for and on behalf of)
INSURANCE AUSTRALIA)
GROUP SERVICES PTY LIMITED and)
INSURANCE MANUFACTURERS)
OF AUSTRALIA PTY LIMITED)
by an authorised officer)
in the presence of)



.....
Christine Stasi
Group Executive
People, Performance & Reputation
Tower 2 Darling Park
201 Sussex St
SYDNEY NSW 2000

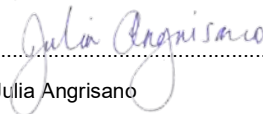


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Signature of witness

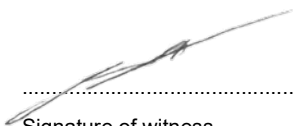
Debbie Wilson

.....
Name of witness (print)

SIGNED for and on behalf of the)
FINANCE SECTOR UNION OF AUSTRALIA)
by an authorised representative)
and in the presence of)



.....
Julia Angrisano
National Secretary,
Finance Sector Union of Australia
341 Queen Street
Melbourne, Victoria, 3000



.....
Signature of witness

Wendy Streets

.....
Name of witness (print)

Authorised under rule 49 of the
FSU's rules to sign industrial agreements.



IN THE FAIR WORK COMMISSION

FWC Matter No.:

AG2020/4195

Applicant:

Insurance Australia Group Services Pty Limited and Insurance Manufacturers of Australia Pty Limited (collectively, "IAG").

Section 185 – Application for approval of a single enterprise agreement

Undertaking provided under section 190 of the *Fair Work Act 2009* (Cth)

I, Jennifer Delves of IAG give the following undertaking with respect to the *IAG Enterprise Agreement 2020* (the **Agreement**):

1. I have the authority given to me by IAG to provide this undertaking in relation to the application before the Fair Work Commission.
2. IAG undertakes that at all times during the nominal term of the Agreement, and until the Agreement is replaced, that the Agreement will operate on the basis that the following NES Precedence term is included as a term of the Agreement:

This Agreement will be read and interpreted in conjunction with the National Employment Standards (NES). Where there is an inconsistency between this Agreement and the NES, and the NES provides a greater benefit, the NES provision will apply to the extent of the inconsistency.

3. IAG undertakes to apply clause 5.4.3(a) of the Agreement as if it reads as follows:

(a) Employees may take 4 days Sick/Carer's leave per annum, with a maximum of 2 consecutive days taken as Sick/Carer's Leave without being required to provide a medical certificate or other relevant supporting documentation to their Manager that would satisfy a reasonable person.

4. IAG undertakes to apply clause 5.4.3(b) of the Agreement as if it reads as follows:

(b) A medical certificate or other relevant supporting documentation that would satisfy a reasonable person, will be required for all Sick/Carer's Leave absences taken in excess of 2 consecutive days.



Jennifer Delves
Executive General Manager, P&C Operations
IAG

13 April 2021