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For the attention of the Committee Secretary, Senate Education and Employment Committees

Via email to eec.sen@aph.gov.au & via the Parliament of Australia online submission portal

Dear Committee Secretariat,

Professionals Australia ((PA) trading as APESMA) represents members who are currently employed at GM Holden, at the Fishermen's Bend, and Lang Lang sites, in Victoria. As such we wish to make a submission on their behalf to the "General Motors Holden Operations in Australia" Senate inquiry, in accordance with the Senate Inquiry TOR, with particular reference to:

a: the impacts of that decision on:

i. Holden employees

https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Education_and_Employment/Holden/Terms_of_Reference

Following the announcement, by General Motors on 17 February 2020 of their intention to withdraw the Holden brand and operations from Australia, union representatives from PA & the AMWU representatives & GMH Management representatives have met a number of times to seek clarification about the redundancy program and to address a number of issues raised by members.

Unfortunately, despite numerous meetings, emails and conversations, a number of matters continue to be unresolved.

As such, with the endorsement of our members, we have indicated to the company our intention to engage the grievance process outlined in the current EBA "GM AUSTRALIA ENGINEERING OPERATIONS ENTERPRISE AGREEMENT 2018", and to raise a dispute with the Fair Work Commission.

In particular the company has determined that they will not be following the process for redundancy outlined in this EBA. Clauses 4.12 Compulsory Redundancy & 4.13 Voluntary Separation Program clearly state that "Before any compulsory redundancy is initiated, the provisions of clause 4.13 Voluntary Separation program will have been exhausted". The Company have indicated that they will not be offering VSP's in this instance and have stated that they believe this to be a waste of time and money.

This decision is not in accordance with past practices at GMH. It shows complete disregard for the EBA process and the wishes of the majority of employees, as expressed via the EBA ballot. And it significantly disadvantages a number of employees.

Employees aged 55-65 years of age, who are members of the Holden Employees Superannuation Program (HESF) who would otherwise have received a significant superannuation payment (in the vicinity of \$100K - \$150K), as per the EBA clause 4.13.2 Superannuation. This clause provides “ For HESF members, 2 x member contributions + interest, (that means full 100% vesting) or if aged 55 and over, a non-actuarially reduced benefit.”

This decision is not in accordance with previous practices at GMH (and similar practices which were implemented recently at Ford Australia during the 2017-18 round of redundancies). When the GMH manufacturing shutdown was announced, all of Engineering operations was to be closed down with the exception of Aftersales and some quality areas. VSP's were offered at that time in the first instance. The current situation is very similar in that a small workforce will remain providing a situation for personnel to be redeployed. We believe that this is sufficient to trigger the requirement to offer VSP's.

Further, with the closedown timeline imposed on Holden being extremely tight we have proposed that Holden only offer the option of a VSP to people who are in the age bracket 55-65 and are part of the HESF. It is likely that these employees are the only people that would even consider a VSP over an IVR due to the benefit to their superannuation payout.

GMH Management have refused to reconsider their decision not to offer VSP's.

There are a number of other matters that relate to the differences between an employees termination date, and their employment anniversary date, and the company's recognition of continuous years of service for members who converted from employment as a casual or contractor to a permanent employee. These will see a number of employees being financially disadvantaged in the calculation of their redundancy payout, which is based on their number of completed years of service.

If the Committee wishes to receive further and more specific information with regards to any of these matters we would be pleased to assist.

Regards,

Melissa Cadwell

Organiser – Victorian Branch



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