**NATIONAL BIPARTITE ACTION GROUP (NBAG)**

**REDUNDANCY COMPENSATION AND RE-EMPLOYMENT**

National BAG has been asked to provide advice on situations where a DHB is considering employing or re-employing someone who has recently been affected by redundancy.

Firstly National BAG draws DHBs attention to the State Services Commission (SSC) guidelines on Redeployment and Redundancy Compensation.

The following factors need to be acknowledged and taken into account by DHBs in situations when an employee’s position has been declared surplus, they have received redundancy compensation, and subsequently seek employment with same, or another DHB.

* Redundancy compensation is for loss of employment and loss of employment related entitlements.
* Redundancy compensation is based on the employee’s service and as such is not designed to provide financial security for a redundant employee between jobs.
* DHBs should not discriminate against those employees who have received redundancy compensation and subsequently seek employment with the same DHB, or another DHB.
* The employee should not be barred from re-employment because they have received compensation for a recent loss of employment. The employee should receive the same consideration in the appointment process as any other applicant.
* Having regard to the above, employees would not normally repay redundancy compensation.
* A single inflexible approach will not necessary meet the needs of every situation and DHBs will need to exercise sound judgment.

**Chairperson**

**National BAG**