

Jasper Brownley
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9 July 2024

Dear Jasper,

OIA 23-24-56: Approach to redundancy.

Thank you for your email on 27 May 2024 to New Zealand Trade and Enterprise (NZTE), making a request under the Official Information Act 1982 (the Act). You requested the following information:

- *In 2023, in response to the end of taxpayer funded Covid funding, NZTE decreased staff numbers with a redundancy of 4 months salary. Is this redundancy period correct?*
- *What was the total number of staff who lost their roles, and the breakdown between NZ based and Internationally based people? eg - 20 staff: 10 NZ based and 10 Internationally based.*
- *What was the official internal communications around the 4 months redundancy? In addition was there any direct connection made between the 4 months redundancy and NZTE internal values?*
- *What is your redundancy term this time around and why? If it is not 4 months, does NZTE admit it made yet another mistake with taxpayer dollars?*

Answers to your questions are as follows.

1. As a result of the conclusion to NZTE's COVID-19 Response and Relief Fund (CRRF), in 2023 we looked at the structure of the organisation and made changes to ensure we were well set up to deliver on our strategy.

During the resulting change process, for those roles being disestablished we provided a one-off approach of four months of salary as redundancy payment (unless the individual's employment agreement or the local labour laws require a higher payment), in addition to the notice period.

2. There was a reduction in 71 roles: 40 NZ based and 31 Internationally based.
3. Official written internal communications regarding redundancy were as follows.
"If positions are made redundant, and we have team members leaving NZTE we would apply a one-off One Global Team approach to pay four (4) months' redundancy compensation of base salary (unless the individual's employment agreement or the local labour laws require a higher payment). This is in addition to the notice period. The intent of this minimum financial package is to ensure we have - to the extent we can - cared for our people during what is a challenging time."

4. The previous change process was an NZTE led initiative designed to realign the organisation following the loss of a COVID-19 specific funding package. It was not driven by a broad cost reduction directive. Offering an additional month's redundancy to our NZ employees was carefully considered and agreed as appropriate given the context of the change.

The current change process is the result of a cost reduction directive across the public service. In this context, it would not be appropriate to deviate from the standard NZ redundancy term of three months.

You have the right under section 28(3) of the Act to seek an investigation and review by the Ombudsman. Information about how to make a complaint is available at: www.ombudsman.parliament.govt.nz or freephone: 0800 802 602.

Yours sincerely



Melissa Trochon
Director – Board & Ministerial