## **WORKWISE ADVISORY SERVICES FACT SHEET**



## TERMINATION AND REDUNDANCY

Employers are obliged to follow certain guidelines when terminating an employee or making them redundant. The following is a short summary of the termination notice periods required when terminating employment and of the severance payments which may be due to employees who are made redundant. Employers are warned that Termination and Redundancy do *NOT* have the same meaning. It is recommended that employers contact the Workwise office for advice should there be any queries on termination and redundancy.



**Termination or Redundancy?** 

## **TERMINATION NOTICE PERIODS**

Period of continuous service	Notice period
Less than 1 year	1 week
More than 1 year but not more than 3 years	2 weeks
More than 3 years but not more than 5 years	3 weeks
More than 5 years	4 weeks

The notice period above increases by one week if the employee is over 45 years of age and has completed two years continuous service.

## REDUNDANCY SEVERANCE PAYMENTS

Period of continuous service	Severance (No. of weeks pay)
Less than 1 year	Nil
1 year and less than 2 years	4
2 years and less than 3 years	6
3 years and less than 4 years	7
4 years and less than 5 years	8
5 years and less than 6 years	10
6 years and less than 7 years	11
7 years and less than 8 years	13
8 years and less than 9 years	14
9 years and less than 10 years	16
10 years and over	12

Where awards and agreements contain redundancy provisions that provide entitlements that are more favourable to employees than the above, then those will apply over the entitlement in the above Severance table.

The amount of severance payable for employees with 10 or more years of service is less, to take into account pro rata long service leave the these employees would be entitled to.

Important Disclaimer: While Workwise endeavours to provide accurate information this document only provides a brief summary of the subject matter covered. This summary should not be relied upon as a substitute for professional advice. No one should act on the basis of any matter covered in this summary without first obtaining specific professional advice.

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