



Australian Government

Workforce  
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Support

## Considering retrenchment? Your checklist

Help is available to guide you if you intend to retrench staff.

### Think about alternatives to retrenchment

- Consider whether redundancy is necessary.** Could you transfer, retrain or redeploy your staff instead? Discuss redeployment opportunities with your employees.
- Consider the reason for the redundancy.** Does it meet the definition of a genuine redundancy? If it is not a genuine redundancy, the employee can make an unfair dismissal claim. Consult the [Fair Work Ombudsman](http://www.fairwork.gov.au/ending-employment/redundancy#genuine-redundancy) ([www.fairwork.gov.au/ending-employment/redundancy#genuine-redundancy](http://www.fairwork.gov.au/ending-employment/redundancy#genuine-redundancy)).

### Know your obligations and the entitlements of your workers

- Advise [Services Australia](http://www.servicesaustralia.gov.au/organisations/business/services/centrelink/redundancy-information-employers)** ([www.servicesaustralia.gov.au/organisations/business/services/centrelink/redundancy-information-employers](http://www.servicesaustralia.gov.au/organisations/business/services/centrelink/redundancy-information-employers)) (Centrelink) of proposed retrenchments if you are terminating the employment of 15 or more employees. This is a legal obligation.
- Check relevant awards or enterprise bargaining agreements** to confirm your obligations. You may have additional obligations under awards, legislation and employer policies. Check whether you need to notify employees and/or unions about proposed redundancies.
- Contact an accountant** to help understand your business obligations and any entitlements you are required to pay.
- Consult the [Fair Work Ombudsman](http://www.fairwork.gov.au/tools-and-resources/fact-sheets/minimum-workplace-entitlements/notice-of-termination-and-redundancy-pay)** ([www.fairwork.gov.au/tools-and-resources/fact-sheets/minimum-workplace-entitlements/notice-of-termination-and-redundancy-pay](http://www.fairwork.gov.au/tools-and-resources/fact-sheets/minimum-workplace-entitlements/notice-of-termination-and-redundancy-pay)) for information on consultation and notice requirements.
- Check whether you are obliged to offer voluntary redundancies.**

### Look after your employees by retrenching responsibly

- Use clear and reasonable criteria to identify employees for redundancy.** These criteria should be applied consistently to employees whose positions may be made redundant. Relevant factors may include an employee's qualifications, skill set, experience and performance.
- Contact the [Transition Support Network](http://www.whatsnext.dese.gov.au/help-employers/retrenchment-done-right)** ([www.whatsnext.dese.gov.au/help-employers/retrenchment-done-right](http://www.whatsnext.dese.gov.au/help-employers/retrenchment-done-right)) for support through the retrenchment process.
- Give plenty of advance notice** to affected employees of impending redundancies if possible.
- Inform your staff of the redundancy in-person if possible while complying with health restrictions. Also provide this news in writing via someone within the organisation.
- Provide access to support services for your employees** including health and wellbeing and résumé advice, if possible.

