

Letter of termination (redundancy)

This precedent has been authored for LexisNexis by **Commission, Sydney** and **Michael Byrnes, Specialist Editor**.

This document is part of a LexisNexis suite of Employment Law documents. It was prepared by Specialist Editor **Justine Turnbull, Partner, Sydney**.

This precedent is current to **5 May 2014**.

Introductory note

Legal rights and obligations pertaining to redundancy are set out in the Fair Work Act 2009 (NES) set out in the Fair Work Act 2009. Employees who are made redundant must be familiarised with the NES.

Extreme care should be taken to ensure that the reasons for dismissal are genuine and lawful. For example, a dismissal is not a genuine redundancy if the employee was redeployed to a suitable position.

It is also important to implement lawful and appropriate redundancy procedures. Industrial awards/agreements require employees to be consulted before making redundancy decisions.

When using this precedent

This precedent redundancy letter is a sample of a redundancy letter. It should ensure it outlines genuine and lawful reasons for dismissal. If there are any difficulties cited, these should be capable of objective verification and supported by evidence. Accounting information in the event of a dismissal should be provided.

[Date]

[Employee name]

[Employee address] [Note: See section 117(1) of the details for notifying termination.]

Dear [employee name]

Re: Termination on the grounds of redundancy

As you may be aware, [employer name] has been experiencing *financial, operational* difficulties. Over the past [time appropriate, eg sales, revenue, income, profit]. This [employer name]'s operations and its sustainability

[Employer name] has considered its options to stop and has decided that your position of [insert position] is now redundant.

[Option 1 (use if actual notice is being given): In accordance with your contract, [employer name] is now giving you [time period]

[Option 2 (use if payment is being given in lieu of notice): In accordance with your employment contract, [employer name] is now giving you [time period] notice of termination. [employer name] has decided to provide you with a payment in lieu of notice. Your last working day will be [date].]

[Note: Where the contract is silent about the relevant notice period, the Fair Work Act 2009 sets out the minimum notice requirements.]

In addition to your notice entitlements, you will also be entitled to a payment in lieu of notice (less applicable tax) in accordance with the Fair Work Act 2009.

You will also be paid:

- your accrued statutory leave entitlements
- your accrued and unpaid salary to the end of your last working day [employer name].

These amounts will be subject to tax and all final and lump sum superannuation payments will also be paid into your superannuation fund.

[Employer name] wishes you all the best in your future endeavours.

Yours faithfully

[Name]

[Position title]

[Employer name]

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