

Redundancy Checklist

Sequence of tasks		
Preliminary steps — Prior to making a definite decision to make a position redundant		
1.	Assess the motivating reasons for the redundancy. Consider whether the reason for the redundancy would amount to a genuine redundancy .	<input type="checkbox"/>
2.	Do you no longer wish the job to be performed by anyone because of changes in the operational requirements of your enterprise or due to insolvency or bankruptcy?	<input type="checkbox"/>
3.	Are there reasons of an economic, technological, structural nature that necessitates a restructure of the business? Obtain data to support those reasons.	<input type="checkbox"/>
4.	Consider alternatives to redundancy, such as transfers, retraining or redeployment (within the employer's enterprise or the enterprise of an associated entity of the employer).	<input type="checkbox"/>
5.	Do you still need to consider redundancies?	<input type="checkbox"/>
Selection of employee to retrench		
6.	Select employees for redundancy, in a fair and non-discriminatory way.	<input type="checkbox"/>
7.	Identify employees for redundancy by objective selection criteria which are applied consistently to employees whose position may be made redundant. Relevant factors may include a consideration of an employee's: (i) qualifications (ii) skill set (iii) experience (iv) performance	<input type="checkbox"/>
Consultation		
8.	Consider obligations contained in awards, agreements, contracts, legislation and employer policies that mandate consultation and notification with employee(s) and/or unions about the proposed redundancies before they take effect.	<input type="checkbox"/>

9.	Consider whether you are obliged to, or will elect to offer voluntary redundancies.	<input type="checkbox"/>
10.	Discuss re-deployment opportunities with employees.	<input type="checkbox"/>
11.	Comply with obligations in awards, agreements, contracts and legislation.	<input type="checkbox"/>
12.	Notify affected employee(s) and relevant unions (where required) of impending redundancies.	<input type="checkbox"/>
13.	Ensure affected employee(s) understand the genuine operational reasons for the impending redundancies.	<input type="checkbox"/>
14.	Notify the employee of his/her redundancy and final date of employment in writing.	<input type="checkbox"/>
Entitlements		
15.	Identify any entitlement to redundancy/severance pay an employee might have under an applicable award or agreement, contract of employment, employer policy or legislation.	<input type="checkbox"/>
16.	Consider whether there are exclusions from paying redundancy pay under the applicable award or agreement, contract of employment, employer policy or legislation.	<input type="checkbox"/>
17.	Discuss with an accountant or tax adviser any applicable tax free components of the redundancy/severance payments.	<input type="checkbox"/>
18.	Consider whether you will offer additional severance payments to employees above their legal entitlements. If so consider using a Deed of Release.	<input type="checkbox"/>
19.	Check applicable award or agreement, contract of employment and legislation for minimum notice periods. Comply with these notice periods.	<input type="checkbox"/>
20.	Calculate termination entitlements.	<input type="checkbox"/>
General		
21.	Notify other parties affected by the redundancy, eg employee's superannuation fund, workers' compensation and other insurers (where relevant), other employees and managers, payroll, key customers etc.	<input type="checkbox"/>

22.	Issue an employment separation certificate.	<input type="checkbox"/>
23.	Check the applicable award, agreement or contract of employment, employer policies and legislation to see whether you must issue a statement of service.	<input type="checkbox"/>
24.	Notify Centrelink where a decision has been made to terminate the employment of 15 or more employees for reasons of an economic, technological, structural or similar nature before termination.	<input type="checkbox"/>
25.	Arrange the return of any property of the employer which is in the employee's custody, possession or control (eg company vehicle, mobile phone, laptop, business cards, office keys, security passes etc). Also, change any passwords and other security measures, which would allow the employee in question to continue to gain access to the business or its computer network.	<input type="checkbox"/>