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REDUNDANCY CHECKLIST

Step 1. Determine if the position is truly redundant

1.	What are your reasons for making this position redundant? <input type="checkbox"/> Financial difficulty <input type="checkbox"/> Lack of work <input type="checkbox"/> Technological change <input type="checkbox"/> Restructuring of roles <input type="checkbox"/> Sale of the business
2.	What changes have occurred that have led to this decision? (Expand on reasons associated with above cause). E.g. loss of key contract, purchase of machinery to replace staff.
3.	Will the reason provided stand up to scrutiny from the Fair Work Commission if challenged? Is there sufficient documentary evidence to establish the reason?
4.	Is the actual reason for the position being made redundant one which has been provided above or does it relate to the performance of an individual employee in their role?

5.	Given the above answers, do you still need, and can you justify, making the positions redundant?
<p>Step 2: Is it possible to redeploy the employees being made retrenched to another position within the company?</p>	
6.	Can one or more employees that are being retrenched be redeployed to another role within the business with some reasonable re-training?
7.	Does the business have any related entities where employees may also be redeployed?
<p>Step 3: How will you decide which employees are to be retrenched? Employees must to be selected in a fair and non-discriminatory manner. An objective selection criteria based on the position must be applied to all affected employees. These may include but are not limited to:</p> <ul style="list-style-type: none"> i. Qualifications ii. Skills iii. Experience iv. Performance v. Conduct During Employment 	
8.	Do you have a selection matrix that lists the criteria for deciding who will be made redundant and does that matrix have an appropriate weighting scale?

Step 4: How will you consult with the affected employees.

9.	Does your award, agreement, contracts or policies contain any obligations to consult and notify with employees and/or representatives about proposed redundancies?
10.	Do you understand your obligations and the processes that must be followed in complying with your consultation obligations?
11.	Do you have appropriately drafted letters to notify employees of the proposed changes and the outcome once any decisions have been made?
12.	How will you notify affected employees and where required the relevant unions (where required) of potential redundancies?
13.	What will be the process for employees or their representatives to provide their views back to management?

14.	Does Centrelink need to be advised of the redundancies?
Step 5: What entitlements are owed to retrenched employees?	
15.	What entitlements does the employee have under their award, agreement, employment contract or policy to redundancy/severance pay?
16.	What notice period is applicable and will the employees be required to work it out or will it be paid out in lieu?
17.	Do you understand the tax implications for employees and are you in a position to provide sufficient information to them about this issue?
18.	Will you offer any additional payment to employees above their entitlements?

19.	Will other services such as outplacement, provision of a reference, assisting employees to find another position be offered?
Step 6: Can the impact and/or cost of the redundancies be reduced?	
20.	Does the employer wish to make application to reduce or remove the obligation to pay severance payments? If so, on what grounds?
Step 7: Do you have a strategy for executing the redundancy process?	
21.	Will you be offering voluntary redundancies?
22.	Are you intending to make one person or a number of staff redundant? If so, how will you be selecting the appropriate person?
23.	Are there any employees that may be made redundant but could have additional avenues other than unfair dismissal to challenge their selection? i.e. an adverse action claim from an employee that is pregnant, has a disability or impairment or is a union official or member etc. How will you ensure that your selection process does not directly or indirectly discriminate against these employees?

24.	Will the redundancies be across a range of positions in the company or will they be confined to specific sections of the business or roles? Who needs to be consulted and how will you reassure employees that the process will be confined to these classes of employees?
25.	Are unions likely to be involved? If so, do you have the necessary skills and experience to deal with them?
26.	Will there be a person to be the point of contact for employees that have questions. Is that person adequately briefed about the various issues that might arise?
27.	Who will manage the process? Do they have the necessary skills, knowledge and experience to complete the task?
28.	Have you programmed a draft timetable to execute the process?
29.	Is it necessary and/or have you done any “what if” scenario planning?