

# Check Redundancy Cheque

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While some people treat redundancy as a chance to take on a challenge, for most it is a daunting prospect.

Some employees with an expectation of continuing employment are seriously disappointed when their position is no longer tenable, often due to economic factors beyond the control of the employer.

But what are you actually entitled to from your employer should you get that dreaded redundancy notice?

Some workplace agreements or modern awards set out the redundancy pay calculations that must be observed. Failing that the Fair Work Act sets out the redundancy entitlement that must be paid upon termination.

The payment is based on the number of years of employment in continuous service. This determines the number of weeks' pay the employer must pay to the retrenched worker in addition to any other entitlements owing.

Sometimes the employer can reduce the amount of redundancy if they are able to arrange alternative acceptable employment but the worker declines.

There is also a redundancy notice period requiring the employer to give a minimum amount of paid notice - again based on the time served with the employer in continuous employment. If you are over 45, you have an entitlement to an additional week's notice.

The worker may also be entitled to outstanding wages, unused annual leave and unused long service leave, or in a position where they have accrued commission. This too must be paid over and above redundancy and leave entitlements.

Workers at businesses with fewer than 15 employees will likely find their employer is exempt from some of the redundancy pay obligations.

In my experience, redundant employees often benefit from obtaining qualified advice on the value of their true entitlements rather than accepting the employer's calculations at face value.

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Elsbeth's articles can be accessed on the Daily Mercury website at <http://www.dailymercury.com.au/topic/elsbeth-ledwy/> or you can find Elsbeth's column "Mind Your Own Business" in the Daily Mercury newspaper each Wednesday.



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