

Meeting for the reduction of hours / redundancy process



The business should conduct a business continuity plan to ensure it understands its short, medium and long-term cash position.

Understand that employees don't have to accept the reduction of hours which can mean redundancy.

If redundancy is the outcome you need to know you can cover the liability.

Also, some awards must pay redundancy even if the business had less than 15 employees, so it's vital to ensure you get the best advice before having the below conversation. You may contact www.happyhr.com to get the advice you require on this.

PURPOSE:

The company is committed to ensuring the solvency of the company and as such needs to work to cut costs in expenditure as well as human capital costs to ensure the availability of the organisation.

INSIGHTS:

Consultation about major workplace change

If an employer makes a definite decision to make major changes in production, program, organisation, structure or technology that are likely to have significant effects on employees, the employer must:

- (a) give notice of the changes to all employees who may be affected by them and their representatives (if any); and
- (b) discuss with affected employees and their representatives (if any):
 - i. the introduction of the changes; and
 - ii. their likely effect on employees; and
 - iii. measures to avoid or reduce the adverse effects of the changes on employees; and
- (c) commence discussions as soon as practicable after a definite decision has been made.

For the purposes of the discussion the employer must give in writing to the affected employees and their representatives (if any) all relevant information about the changes including:

- a. their nature; and
- b. their expected effect on employees; and
- c. any other matters likely to affect employees.

Consultation about changes to rosters or hours of work applies if an employer proposes to change the regular roster or ordinary hours of work of an employee, other than an employee whose working hours are irregular, sporadic or unpredictable.

The employer must consult with any employees affected by the proposed change and their representatives (if any).

For the purpose of the consultation, the employer must:

- (a) provide to the employees and representatives information about the proposed change (for example, information about the nature of the change and when it is to begin); and
- (b) invite the employees to give their views about the impact of the proposed change on them (including any impact on their family or caring responsibilities) and also invite their representative (if any) to give their views about that impact.

The employer must consider any views is to be read in conjunction with any other provisions of this award concerning the scheduling of work or the giving of notice.

DISCUSSION RE REDUCTION OF HOURS:

1. The business needs to change the hours due to economic reasons and it has nothing to do with the performance of yourself.
2. The choice is up to the employee re if they accept the reduction or not.
3. The business needs to reduce your hours to X per week to assist the business in remaining solvent.
4. Explain when the reduction in hours will commence. Usually it's the net pay period.
5. Give them 24 hours to decide on if they are to accept.

If it is a "Yes" and they accept a reduction in hours.

6. If they accept then the new hours and pay will commence on X day
7. You must give them a Part time contract if full time with the days and times stated in the contract with the salary with loadings and entitlements in the contract
8. If part time you need to alter the contract with the new days and times.
9. It is doubtful you will be a part-time /full-time employee to accept a casual contract as this gives no job security and its strongly advised an organisation not do this.

If it is a "NO" and they do not accept a reduction in hours.

10. Then if the business can't afford the continuation of employment due to economic reasons the business may not have a choice but to make the role redundant
11. The employee must be told what their last day will be, what the pay out figure is and what their entitlements are.
12. You must pay them their money in the normal pay period.

OTHER ADVICE:

1. Support them and or offer services for them, this will be hard for any employee
2. Ensure they know what the process is for Centrelink
3. Assist them with references
4. Help them with writing their CV
5. Is there anyone in your network that can help them?

6. Contact Happy HR as we have a fixed fee recruitment division which regularly assists people in finding new opportunities.

Disclaimer: *This advice is general in nature and is intended for educational purposes. For your specific circumstances please contact Happy HR. We are here to assist with mediation services, redundancy calculations or other please call 1300 730 880 or go to www.happyhr.com*

Source: www.happyhr.com

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