# Termination Policy

This template policy is intended to assist member businesses develop their own workplace policy. The following information should be used as a guide only. Any wording changes, other than those to insert a business name, may change the context, meaning or purpose of the policy. We recommend you receive advice from the Victorian Chamber of Commerce and Industry prior to making such changes.

## Contacting the Victorian Chamber of Commerce and Industry

The Victorian Chamber’s team of experienced workplace relations advisors can assist members with a range of employment, human resources and industrial relations issues.

Our experienced workplace relations consultants can also provide assistance to both members and non-members on a range of more complex matters for a fee-for-service. The consultants can, among other things, provide training to employees, conduct investigations and provide representation at proceedings at the Fair Work Commission.

For assistance or more information, please contact the Workplace Relations Advice Line on (03) 8662 5222.

Disclaimer

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# TERMINATION

**Date of issue:**

**Policy approved by:**

**Contact person:**

## 1 PURPOSE

This policy outlines the entitlements, provisions and conditions of termination of employment.

## 2 APPLICATION

This policy applies to all employees of **[INSERT COMPANY NAME],** except irregular casual employees.

The policy is not intended to override the terms of any award, enterprise agreement or contract that applies to an employee.

## 3 DEFINITION

An “irregular casual” is a casual employee that does not work a clear, repetitive pattern of hours.

## 4 POLICY

Termination of employment may be initiated by the employee by:

* resigning and giving due notice;
* abandoning employment; or
* death of an employee

Termination of employment may be initiated by **[INSERT COMPANY NAME]** for

* serious misconduct;
* unsatisfactory performance or conduct;
* redundancy; or
* for being unable to perform the inherent requirements of the job and being unable to do so for an unreasonable period of time

The expiry of a fixed-term contract by the passage of time will not be regarded as “termination” of the employment contract. Instead, employment simply comes to an end at the expiry of the term.

For all permanent employees, accrued annual leave entitlements and all applicable long service leave entitlements will be paid out at the date of termination. Any accrued personal/carer’s leave is not payable on termination.

All **[INSERT COMPANY NAME]** property, such as motor vehicles, keys, security passes, laptop computers and phones must be returned on the date of termination or when notice (if any) is given.

Upon termination**, [INSERT COMPANY NAME]** will provide the employee with a letter confirming the termination and the date it takes effect. The employee will also be provided with a final payment summary detailing any outstanding monies owed.

## Notice Period

Except in cases of summary dismissal (where no notice period is required), termination of employment requires the following minimum period of notice:

|  |  |
| --- | --- |
| **Employee’s period of continuous service with employer at the end of the day the notice is given** | **Minimum Period of Notice** |
| Not more than 1 year | 1 weeks |
| More than 1 year but not more than 3 years  | 2 weeks |
| More than 3 years but not more than 5 years | 3 weeks |
| More than 5 years | 4 weeks |

The periods indicated above will be increased by one week if the employee is over 45 years old and has completed at least two years of continuous service with the employer at the end of the day the notice is given.

The periods indicated above do not apply to casual employees. A casual employee may be terminated with the provision of one hour’s notice.

**[INSERT COMPANY NAME]** may, at its discretion, make payment in lieu of the notice period.

## Resignation/ Retirement

Employees may terminate their employment by giving notice in writing to **[INSERT COMPANY NAME].** The notice period required is indicated above.

If the employee does not provide the required notice, then the payment for the outstanding notice will be deducted from the employee’s final payment if permitted by the relevant industrial instrument.

## Summary Dismissal

 **[INSERT COMPANY NAME]** may terminate the employment of the employee immediately and without notice for serious misconduct, in circumstances including the following:

* + the employee commits any serious or persistent breach of his/her obligations under the employee’s agreement;
	+ the employee has engaged in theft, fraud or assault or wilful neglect in the discharge of his/her duties;
	+ the employee refuses to carry out any lawful and reasonable directions of **[INSERT COMPANY NAME]**;
	+ the employee engages in conduct that causes imminent, and serious, risk to the health or safety of a person or the reputation, viability or commercial interests of the organisation;
	+ the employee is found guilty of any criminal offence throughout the course of their employment other than an offence which in the reasonable opinion of **[INSERT COMPANY NAME]** does not affect his/her position or his/her ability to carry out his/her duties properly;
	+ the employee is guilty of any conduct in breach of any relevant anti-discrimination or equal opportunity legislation; or
	+ the employee is guilty of any other conduct which is incompatible with his/her continued employment.

## Redundancy

A termination by way of redundancy occurs when **[INSERT COMPANY NAME]** decides that a job or position is no longer required to be done by anyone.

In the event of a position being made redundant, the affected employee(s) will be consulted about the change. The employee will usually be given an opportunity to respond to the proposed change before **[INSERT COMPANY NAME]** makes is final decision about termination. **[INSERT COMPANY NAME]** will offer the affected employee(s) alternative employment if it is available.

If an employee is terminated by way of redundancy severance pay (or “redundancy pay”) will be paid in accordance with the National Employment Standards.

## 5 POLICY REVIEW

**[INSERT COMPANY NAME]** may make changes to this policy from time to time to improve the effectiveness of its operation.

WORKPLACE PARTICIPANT ACKNOWLEDGEMENT

I acknowledge:

 I have received, read and understood the policy

 I am required to comply with the policy; and

There may be disciplinary consequences if I fail to comply, up to and including the termination of my employment.

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Signature:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date: