

How to deal with changing employment conditions for your staff



Reducing staff hours

The current situation may have an impact on your workforce and whether you are able to continue to maintain an employee's hours or even their employment.

Reducing hours or terminating a staff member is a very challenging situation which needs to be handled very carefully and sensitively by the employer in order to avoid problems in the future.

Key things to consider when you need to change a staff member's employment situation

The first thing to remember is that you **cannot unilaterally vary the employment contract**, for instance by reducing hours. Depending upon the individual employment contract, you may be able to reduce the hours of casual employees.

You should discuss the issue with the employee and explain the circumstances and then hopefully get them to **agree** to the reduction in hours, either permanently or for the foreseeable future e.g. until the drought eases. Staff are hard to replace and good staff are harder to replace so treading carefully is important.

It goes without saying that any agreed reduction in hours should be in writing and include the reasons and be signed by both parties and kept with employment records.

If the employee does not accept the reduction in hours, then the only option you have is **redundancy**.

Redundancy

If redundancy is the option you have to progress, key actions to take include: *Remember all of the points below are important and should be recorded in writing and kept with employee records.*

- Be clear that **the position itself is redundant**, not the person which is to be made redundant.
- **Consult** with the employee as per Clause 8 of the Pastoral Award and tell them that the position is no longer available and the reasons for this. Seek their views as to how the effect on them can be minimised.
- **Offer any other positions** to the person which may be available on the farm, even if they are lower skilled positions or have less hours. Remember, you may be offering their own position to them with the reduced hours.
- If they accept the lower position or the reduced hours, then you have to **give them paid notice** in accordance with the NES at the old rate before they start the new position – or you can just pay the difference for the notice period and have them work the lesser hours straight away. Visit www.thepeopleindairy.org.au/engagement-reward/pastoral-award.htm#notice
- If the business employs less than 15 employees there is no requirement to pay redundancy pay.
- There is also no requirement to pay redundancy pay if the employee has been employed for less than 12 months or if they are a casual employee - this applies to large business too.
- Failure to follow through with the requirements for redundancy can amount to an unfair dismissal as the redundancy will be seen as not being 'genuine'.

Visit www.thepeopleindairy.org.au/engagement-reward/termination.htm#redundancy for more information.