Ending employment during workers compensation

Resigning from a job while on workers compensation

An employee can resign from their job while they're on workers compensation. They:

- have to give the correct notice period to their employer
- can use their workers compensation period as the notice period.


Dismissed by an employer while on workers compensation

If an employer dismisses an employee while they're on workers compensation, the employee has to be paid out their notice period instead of working it.

This is because the employee can't work their notice period when they're on workers compensation. For example, an employee who is entitled to 3 weeks' notice will get 3 weeks' pay instead of working.

The minimum notice periods can be different in each award and registered agreement. Check the Dismissal - how much notice (www.fairwork.gov.au/ending-employment/notice-and-final-pay/dismissal-how-much-notice) page for more information about minimum notice periods.

There may be protections in workers compensation legislation that prevent employees from being dismissed while on workers compensation.

Contact the workers compensation regulator (www.fairwork.gov.au/leave/workers-compensation/default) in your state or territory to find out about dismissing employees on workers compensation.

Redundancy while on workers compensation

If an employee's job is made redundant while on workers compensation, the employer has to:

- pay them the correct notice period
- pay out any entitlements, including redundancy pay if it applies.


All awards and registered agreements have a consultation process for when there are major changes to the workplace, such as redundancies.

Employers have to talk to an employee on workers compensation if they decide to make a significant change in the workplace that will affect the employee’s job. This has to occur as the decision is made, not when the employee comes back to work from workers compensation.

Think a mistake might have been made?

Mistakes can happen. The best way to fix them usually starts with talking.

Check out our Help resolving workplace issues (www.fairwork.gov.au/how-we-will-help/how-we-help-you/help-resolving-workplace-issues/default) section for practical advice on:

- figuring out if a mistake has been made
- talking to your employer or employee about fixing it
- getting help from us if you can't resolve it.

What to do next:

You might also be interested in:

- Paying wages (www.fairwork.gov.au/Pay/paying-wages)

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