Redundancy pay & entitlements

When an employee's job is made redundant, their employer may need to pay them redundancy pay (also known as severance pay).

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Redundancy pay


Redundancy pay doesn't need to be paid in some circumstances, such as if the employer is a small businesses or the employee is a casual. To find out when redundancy doesn't need to be paid, visit Who doesn't get redundancy pay (www.fairwork.gov.au/Ending-employment/Redundancy/who-doesnt-get-redundancy-pay).

The amount of redundancy pay the employee gets is based on their continuous service with their employer. Continuous service is the length of time they're employed by the business and doesn't include periods of unpaid leave. Read about whether casual service counts for redundancy pay (www.fairwork.gov.au/library/k600005_does-casual-service-count-for-redundancy-pay-notice-) in our Library.


Find information about specific redundancy entitlements in your award by selecting from the list below.

Employees who were made redundant before 31 December 2014 may have been entitled to more generous redundancy pay under an old award. If you think this may apply to you or for more information, Contact us (www.fairwork.gov.au/about-us/contact-us).

Reducing redundancy pay

An employer can apply to the Fair Work Commission to have the amount of redundancy they have to pay reduced if:

- the employer finds other acceptable employment for the employee, or
- the employer can't afford the full redundancy amount.


Tools and resources

- Australian Taxation Office (https://www.ato.gov.au/)
- Contact us (www.fairwork.gov.au/contact-us/default)

Related information

Think a mistake might have been made?

For employees:
If you’ve lost your job, contact the Fair Work Commission (the Commission) first if you think you were sacked because of:

- a reason that is harsh, unjust or unreasonable
- another protected right.

You have 21 days starting from the day after you were dismissed to lodge an application with the Fair Work Commission. Check the information at the Commission website to find out if you can apply for:


If you think you haven’t been paid everything you’re owed:

  - talking to your employer about fixing your notice and final pay if it’s wrong
  - getting help from us if you can’t resolve it.

For employers:

  - talking to fix any problems
  - getting help from us if you still can’t resolve it.

### Help for small business


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Contact us

Fair Work Online: [www.fairwork.gov.au](http://www.fairwork.gov.au)
Fair Work Infoline: 13 13 94
Need language help?
Contact the Translating and Interpreting Service (TIS) on 13 14 50
Hearing & speech assistance
Call through the National Relay Service (NRS):
For TTY: 13 36 77. Ask for the Fair Work Infoline 13 13 94
Speak & Listen: 1300 555 727. Ask for the Fair Work Infoline 13 13 94

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The Fair Work Ombudsman is committed to providing advice that you can rely on. The information contained on this website is general in nature. If you are unsure about how it applies to your situation you can call our Infoline on 13 13 94 or speak with a union, industry association or workplace relations professional. Visitors are warned that this site may inadvertently contain names or pictures of Aboriginal and Torres Strait Islander people who have recently died.