

Notice & final pay

Employers and employees may need to give notice when they end the employment relationship. There are also rules about what needs to be included in an employee's final pay.

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Calculate notice and redundancy entitlements

Use our [Notice and Redundancy Calculator \(http://calculate.fairwork.gov.au/EndingEmployment\)](http://calculate.fairwork.gov.au/EndingEmployment) to calculate notice and redundancy entitlements.

How to give notice

To end an employee's employment (also known as firing or terminating employment), an employer has to give them written notice of their last day of employment (some exceptions apply).

An employer can give notice to the employee by:

- delivering it personally
- leaving it at the employee's last known address, or
- sending it by pre-paid post to the employee's last known address.

Employees should check their award, any enterprise agreement, contract of employment or workplace policy to find out how much notice they need to give to resign from a job. Employees who are resigning often don't need to give notice in writing - they may be able to give it verbally.

Can notice be paid out instead of worked?

Yes. An employer can:

- let the employee stay employed through their notice period
- pay it out to them (also known as pay in lieu of notice), or
- give a combination of the two.

If the employer pays out the notice, the amount paid to the employee must equal the full amount the employee would have been paid if they had worked until the end of the notice period. This includes:

- incentive-based payments and bonuses
- loadings
- monetary allowances
- overtime
- penalty rates
- any other separately identifiable amounts.

If the employer pays out the notice period, the employee's employment ends on the date that payment in lieu of notice is made. The employee doesn't stay employed during the notice period (or continue to accrue entitlements, such as annual leave). If the employer doesn't pay out any part of the notice period, the employee stays employed for the notice period. Employment can't end on a date earlier than the day the notice is given.

Notice during probation periods

If an employee's employment is ended while they're on probation, they still have to get or be paid out notice based on their length of service.

Ending apprenticeships and traineeships

Employers who terminate the employment of an apprentice or trainee may need to take extra steps to make sure the relevant training contract is properly ended. Employers should contact their state or territory training authority for more information about ending apprenticeships or traineeships. Visit [Apprentices and trainees \(www.fairwork.gov.au/find-help-for/apprentices-and-trainees\)](http://www.fairwork.gov.au/find-help-for/apprentices-and-trainees) for a list of state and territory training authorities.

Serious misconduct

When an employee is terminated on the grounds of serious misconduct, the employer doesn't have to provide any notice of termination. However, the employer does have to pay the employee all outstanding entitlements such as payment for time worked, annual leave and sometimes long service leave. Whether an employer needs to pay out long service leave depends on where the entitlement comes from, usually state or territory long service leave laws.

Serious misconduct involves an employee deliberately behaving in a way that is inconsistent with continuing their employment.

Examples include:

- causing serious and imminent risk to the health and safety of another person or to the reputation or profits of their employer's business
- theft, fraud, assault, sexual harassment
- refusing to carry out a lawful and reasonable instruction that is part of the job.

Source reference: [Fair Work Act 2009 s.117](http://www.comlaw.gov.au/Series/C2009A00028) [☞ \(http://www.comlaw.gov.au/Series/C2009A00028\)](http://www.comlaw.gov.au/Details/C2014C00031) [☞ \(http://www.comlaw.gov.au/Details/C2014C00031\)](http://www.comlaw.gov.au/Details/C2014C00031)

Tools and resources

- [Notice and Redundancy Calculator \(http://calculate.fairwork.gov.au/EndingEmployment\)](http://calculate.fairwork.gov.au/EndingEmployment)
- [Letter of termination of employment template \(DOCX 37.6KB\) \(www.fairwork.gov.au/ArticleDocuments/766/Termination-of-employment-letter-template.docx.aspx\)](http://www.fairwork.gov.au/ArticleDocuments/766/Termination-of-employment-letter-template.docx.aspx)
- [Small Business Fair Dismissal Code Checklist \(DOCX 25.5KB\) \(www.fairwork.gov.au/ArticleDocuments/715/Small-Business-Fair-Dismissal-Code-2011.docx.aspx\)](http://www.fairwork.gov.au/ArticleDocuments/715/Small-Business-Fair-Dismissal-Code-2011.docx.aspx) [\(PDF 220.4KB\) \(www.fairwork.gov.au/ArticleDocuments/715/Small-Business-Fair-Dismissal-Code-2011.pdf.aspx\)](http://www.fairwork.gov.au/ArticleDocuments/715/Small-Business-Fair-Dismissal-Code-2011.pdf.aspx)

Related information

- [Bankruptcy and liquidation \(www.fairwork.gov.au/Ending-employment/bankruptcy-and-liquidation\)](http://www.fairwork.gov.au/Ending-employment/bankruptcy-and-liquidation)
- [Final pay \(www.fairwork.gov.au/Ending-employment/notice-and-final-pay/final-pay\)](http://www.fairwork.gov.au/Ending-employment/notice-and-final-pay/final-pay)
- [Redundancy \(www.fairwork.gov.au/Ending-employment/Redundancy/default\)](http://www.fairwork.gov.au/Ending-employment/Redundancy/default)
- [Unfair dismissal \(www.fairwork.gov.au/Ending-employment/unfair-dismissal\)](http://www.fairwork.gov.au/Ending-employment/unfair-dismissal)
- [Services Australia website ☞ \(https://www.humanservices.gov.au/organisations/business/services/centrelink/employment-status-verification\)](https://www.humanservices.gov.au/organisations/business/services/centrelink/employment-status-verification)

Help for small business

- Use the [Small Business Fair Dismissal Code and checklist \(DOCX 25.5KB\) \(www.fairwork.gov.au/ArticleDocuments/715/Small-Business-Fair-Dismissal-Code-2011.docx.aspx\)](http://www.fairwork.gov.au/ArticleDocuments/715/Small-Business-Fair-Dismissal-Code-2011.docx.aspx) [\(PDF 220.4KB\) \(www.fairwork.gov.au/ArticleDocuments/715/Small-Business-Fair-Dismissal-Code-2011.pdf.aspx\)](http://www.fairwork.gov.au/ArticleDocuments/715/Small-Business-Fair-Dismissal-Code-2011.pdf.aspx) to make sure that a dismissal is fair
- Find tools, resources and information you might need on our [Small business showcase \(https://smallbusiness.fairwork.gov.au/\)](https://smallbusiness.fairwork.gov.au/) .

Contact us

Fair Work Online: 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

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.