

Offering casual conversion – checklist and template letter

Who can use this template

Employers with **15 or more employees** can use this template to offer **casual conversion** to an employee.

How to use this template

First, use the checklist to check if you need to offer casual conversion to a casual employee.

Then use the relevant template letter to notify the employee in writing that you are:

- offering them casual conversion, or
- not offering them casual conversion because they are not eligible, or on reasonable grounds.

Make sure you're using the [latest version of this template](#) by **downloading the most up-to-date version** from fairwork.gov.au/casualconversion

What is casual conversion?

Casual conversion is a right under the [National Employment Standards](#) (NES) for **casual employees** to become a permanent employee (full-time or part-time) if they want to. Casual employees have this right if:

- they've completed at least 12 months of work with their employer and meet certain criteria, and
- their employer does not have reasonable grounds to **not** convert them.



IMPORTANT

Rules about casual conversion

This resource is for the **casual conversion** entitlement under the [NES](#). Your award or agreement may have different rules about casual conversion that supplement the NES or are more beneficial for employees. Your award or agreement can't provide for casual conversion conditions that are less than the NES.

Check if an award or agreement applies

Before using this resource, check if an [award](#) or [agreement](#) applies to your workplace. If it does, check if it has terms about casual conversion that are more beneficial to your

employees than the NES. If so, those rules apply. Visit [fairwork.gov.au/awards](https://www.fairwork.gov.au/awards) and [fairwork.gov.au/agreements](https://www.fairwork.gov.au/agreements) to find out more.

Need more details about casual conversion or need help?

- For more information about [casual employment](https://www.fairwork.gov.au/casual) and [casual conversion](https://www.fairwork.gov.au/casualconversion) visit [fairwork.gov.au/casual](https://www.fairwork.gov.au/casual) and [fairwork.gov.au/casualconversion](https://www.fairwork.gov.au/casualconversion)
- Submit an enquiry online through [My account](https://www.fairwork.gov.au/register) at [fairwork.gov.au/register](https://www.fairwork.gov.au/register)

Check out our other resources



- [Explore interactive template tools, and downloadable templates and letters](https://www.fairwork.gov.au/templates) available at [fairwork.gov.au/templates](https://www.fairwork.gov.au/templates) to help you manage a wide range of workplace obligations.
- [Complete our free online courses](https://www.fairwork.gov.au/learning) available at [fairwork.gov.au/learning](https://www.fairwork.gov.au/learning) to develop skills and strategies to help you at work.

The Fair Work Ombudsman is committed to providing you with advice that you can rely on.

The information contained in this template 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 a workplace relations professional.

Checklist: Offering casual conversion

Use this checklist to help determine if you need to offer casual conversion. If you tick all of the boxes, you need to offer your employee casual conversion.

Tick each item that applies.

1 – Your business has 15 or more employees

If your business has 15 or more employees, you must assess whether or not you need to offer casual conversion based on the rest of this checklist. This needs to be done for each casual employee within 21 days of their 12-month work anniversary.

If you're a [small business employer](#) (fewer than 15 employees), you're **not required** to offer casual conversion and **don't need to use this checklist and template**.



IMPORTANT

Eligible employees of small businesses can **request** casual conversion after 12 months of employment. Go to www.fairwork.gov.au/casualconversion for more information.

2 – The employee has been working for you for at least 12 months

They must be working for you for **at least 12 months** before they are eligible for casual conversion.

If they've worked for you this long, then within 21 days of their 12 month anniversary, you must assess whether they are eligible, and either offer them conversion in writing, or explain in writing why you're not offering conversion.

3 – The employee has worked a regular pattern of hours on an ongoing basis for at least the last 6 months of their first 12 months of employment

If you're not sure if they've worked a regular pattern of hours, visit [Becoming a permanent employee](#) at fairwork.gov.au/casualconversion

4 – The employee could continue working this regular pattern of hours as a permanent employee without significant changes

Significant changes could include that the employee's hours of work would need to be significantly increased or decreased for them to become a permanent employee (for example to meet applicable award requirements).

You can find more about [awards](#) and [agreements](#) at fairwork.gov.au/awards and at fairwork.gov.au/agreements



IMPORTANT

An employer can't reduce or change an employee's hours of work, or terminate their employment, to avoid having to offer or grant a request for casual conversion.

For example, an employer can't deliberately change their employee's roster so that they don't meet the eligibility requirements.

5 – There are **no** reasonable grounds to refuse to offer permanent employment to the employee

Not sure what counts as reasonable business grounds? For more information, visit [Becoming a permanent employee](https://www.fairwork.gov.au/casualconversion) at [fairwork.gov.au/casualconversion](https://www.fairwork.gov.au/casualconversion)

Did you tick all the boxes?

- ✘ **No** – if you **did not tick** one or more of the above boxes, you don't have to offer casual conversion, but you **must** tell them that in writing and include the reasons why.

You can use the [TEMPLATE LETTER – No offer of casual conversion](#) to notify them.

- ✔ **Yes** – if you **ticked all the boxes** above, you **must offer** your employee casual conversion.

Follow the consultation steps below.

6 – Notify them of your decision in writing

You must notify your employee of your decision in writing within 21 days of their 12-month work anniversary. Your offer must be for the employee to convert to:

- full-time employment (if the employee has worked the equivalent of full-time hours in the last 6 months), or
- part-time employment consistent with the regular pattern the employee has worked in the last 6 months (if the employee has worked less than the equivalent of full-time hours in that period).

You can use the below [TEMPLATE LETTER – Offer of casual conversion](#) to notify them.

7 – If you offer casual conversion, the employee must respond within 21 days

The employee must respond in writing within 21 days after the offer is given to them, stating whether they accept or decline the offer. If they accept, you need to meet with them – see Step 8.

If they **decline** your offer of casual conversion, you don't need to meet with them.

If they **don't respond** to your offer within 21 days, you can assume they've declined the offer.

8 – If they accept the offer, meet with them

If they **accept** your offer, you must meet with them to discuss their new conditions of employment, including:

- whether they are converting to full-time or part-time employment
- their hours of work as a permanent employee
- their start date as a permanent employee.

You must then give them **written notice** of those details within 21 days of the employee accepting the offer to convert.



IMPORTANT

These templates have been colour coded to assist you to complete them accurately. You simply need to replace the red < > writing with what applies to your situation.

Example information is shown in purple writing to assist you and should be deleted once you have finished.

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TEMPLATE LETTER – Offer of casual conversion

<Print on your business letterhead if applicable>

<Date>

Private and confidential

<Employee's full name>

<Employee's residential/postal/email address>

Offer of casual conversion

Dear <Employee's first name>

You have recently reached your 12-month employment anniversary.

In reaching this anniversary, we are required to assess your eligibility to become a permanent employee. This is an entitlement under the National Employment Standards called **casual conversion**.

An employee needs to meet certain criteria to be offered casual conversion. We have determined that you meet these criteria.

You can find out more about [casual conversion](https://www.fairwork.gov.au/casualconversion) and why you are eligible at [fairwork.gov.au/casualconversion](https://www.fairwork.gov.au/casualconversion).

What are we offering?

We are offering you permanent employment.

Based on the number of hours you have regularly worked over the last 6 months, you would be converted to a permanent <part-time or full-time> employee.

[Explanatory information – please delete once you have finished the letter]

Whether your employee should be converted to full-time or part-time employment will depend on the regular hours they have been working prior to the offer. If the employee was regularly working full-time hours (usually 38 hours per week), you need to offer full-time employment. If the employee was regularly working part-time hours (usually less than 38 hours per week), you need to offer part-time employment. Find out how many hours are full-time or part-time in your workplace by checking the relevant award or agreement (if one applies to the employee). If there is no award or agreement that applies, then check the hours worked by your other full-time or part-time employees who work in the same or a similar position.

What will change?

Becoming a permanent employee means that you will be entitled to different minimum employment entitlements, including paid annual leave and paid sick and carer's leave (also known as personal leave). For more information about [minimum entitlements](https://www.fairwork.gov.au/NES), visit [fairwork.gov.au/NES](https://www.fairwork.gov.au/NES)

If you choose to accept casual conversion, your pay rate will be <pay rate> in accordance with <the name of your award/agreement or employment contract>.

What do you need to do?

You need to accept or refuse my offer of casual conversion in writing by <date no less than 21 days from the date on this letter>.

If we don't hear from you by this date, we will have determined that you have declined the offer.

What happens next?

If you accept the offer, we will meet with you to discuss and confirm:

- the type of employment (full-time or part-time) that you will convert to
- your hours of work as a permanent employee
- your start date as a permanent employee.

After our discussion, we will confirm these details in writing.

If you decline the offer, your employment will continue as normal. You may become entitled to request casual conversion in the future if you meet the eligibility criteria. You can find out more about requesting [casual conversion](https://www.fairwork.gov.au/casualconversion) at [fairwork.gov.au/casualconversion](https://www.fairwork.gov.au/casualconversion)

Where can you go for help?

If you have any questions, please contact me on [<contact details>](#).

For more information about the different rights and obligations of casual or permanent employees and the process of [casual conversion](https://www.fairwork.gov.au/casualconversion), go to [fairwork.gov.au/casualconversion](https://www.fairwork.gov.au/casualconversion)

Thank you again for your work and contribution to our business.

Yours sincerely

[<Your name>](#)

[<Your position>](#)

PLEASE KEEP A COPY OF THIS LETTER FOR YOUR RECORDS

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TEMPLATE LETTER – No offer of casual conversion

<Print on your business letterhead if applicable>

<Date>

Private and confidential

<Employee's full name>

<Employee's residential/postal/email address>

No offer of casual conversion

Dear <Employee's first name>

You have recently reached your 12-month employment anniversary.

In reaching this anniversary, we are required to assess your eligibility to become a permanent employee. This is a requirement under the National Employment Standards called **casual conversion**.

We have assessed your employment and have determined that we will not offer you casual conversion.

Why aren't we offering you casual conversion?

[Explanatory information – please delete once you have finished the letter]

You must include the reasons why you are not offering casual conversion – for example, because you have determined the employee is not eligible or because you have reasonable grounds not to make an offer. Complete the section below to suit the reasons that apply for the employee you are giving this letter, and delete the line that does not apply.

<Delete this section if not applicable> We have determined that you are not eligible because <you haven't worked a regular pattern of hours for the last 6 months / your pattern of work hours could not continue as a permanent employee without significant changes>.

<Delete this section if not applicable> We will not be offering casual conversion on reasonable grounds because <insert reason>.

[Explanatory information – please delete once you have finished the letter]

What counts as 'reasonable grounds' will depend on your circumstances and your employee's circumstances. You must include details about the reasonable grounds on which you are refusing to offer the employee casual conversion.

Visit [Becoming a permanent employee](https://www.fairwork.gov.au/casualconversion) at [fairwork.gov.au/casualconversion](https://www.fairwork.gov.au/casualconversion) for information about reasonable grounds.

You can find out more about [casual conversion](https://www.fairwork.gov.au/casualconversion) at [fairwork.gov.au/casualconversion](https://www.fairwork.gov.au/casualconversion)

What happens next?

You will continue to be employed as a casual employee with <business name>.

Though you aren't eligible for casual conversion at this time, you may still be eligible to request it in the future. You can find out more about requesting [casual conversion](https://www.fairwork.gov.au/casualconversion) at [fairwork.gov.au/casualconversion](https://www.fairwork.gov.au/casualconversion)

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Thank you for your work and contribution to our business.

Yours sincerely

[<Your name>](#)

[<Your position>](#)

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