

When calculating your amount of redundancy pay, the following rules apply:

119 Redundancy pay

Amount of redundancy pay

- (2) The amount of the redundancy pay equals the total amount payable to the employee for the redundancy pay period worked out using the following table at the employee's base rate of pay for his or her ordinary hours of work:

Redundancy pay period		
	Employee's period of continuous service with the employer on termination	Redundancy pay period
1	At least 1 year but less than 2 years	4 weeks
2	At least 2 years but less than 3 years	6 weeks
3	At least 3 years but less than 4 years	7 weeks
4	At least 4 years but less than 5 years	8 weeks
5	At least 5 years but less than 6 years	10 weeks
6	At least 6 years but less than 7 years	11 weeks
7	At least 7 years but less than 8 years	13 weeks
8	At least 8 years but less than 9 years	14 weeks
9	At least 9 years but less than 10 years	16 weeks
10	At least 10 years	12 weeks

- (3) A reference in this section to continuous service with the employer does not include periods of employment as a casual employee of the employer.

16 Meaning of *base rate of pay*

General meaning

- (1) The ***base rate of pay*** of a national system employee is the rate of pay payable to the employee for his or her ordinary hours of work, but not including any of the following:
- (a) incentive-based payments and bonuses;
 - (b) loadings;
 - (c) monetary allowances;
 - (d) overtime or penalty rates;
 - (e) any other separately identifiable amounts.

Meaning for pieceworkers in relation to entitlements under National Employment Standards

- (2) Despite subsection (1), if one of the following paragraphs applies to a national system employee who is a pieceworker, the employee's ***base***

rate of pay, in relation to entitlements under the National Employment Standards, is the base rate of pay referred to in that paragraph:

- (c) the employee is an award/agreement free employee, and the regulations prescribe, or provide for the determination of, the employee's base rate of pay for the purposes of the National Employment Standards.

1.09 Meaning of base rate of pay—pieceworkers (national system employee)

- (1) For paragraph 16(2)(c) of the Act, this regulation provides for the determination of the base rate of pay for the purposes of the National Employment Standards for a national system employee who is an award/agreement free employee and a pieceworker.

Note: The Act defines *award/ agreement free employee* in section 12 and *pieceworker* in section 21.

- (2) The base rate of pay, expressed as an hourly rate of pay, is worked out using the formula:

$$\frac{TA}{TH}$$

where:

TA is the total amount earned by the employee during the relevant period.

TH is the total hours worked by the employee during the relevant period.

the **relevant period** is:

- (a) for an employee who was continuously employed by the employer for a period of 12 months or more immediately before the base rate of pay is to be worked out—the 12 months before the rate is to be worked out; or
- (b) for an employee who was continuously employed by the employer for a period of less than 12 months immediately before the base rate of pay is to be worked out—that period.

120 Variation of redundancy pay for other employment or incapacity to pay

- (1) This section applies if:
 - (a) an employee is entitled to be paid an amount of redundancy pay by the employer because of section 119; and
 - (b) the employer:
 - (i) obtains other acceptable employment for the employee; or
 - (ii) cannot pay the amount.
- (2) On application by the employer, the FWC may determine that the amount of redundancy pay is reduced to a specified amount (which may be nil) that the FWC considers appropriate.
- (3) The amount of redundancy pay to which the employee is entitled under section 119 is the reduced amount specified in the determination.

	<p><i>You may use the FWO online calculator to compare: https://calculate.fairwork.gov.au/EndingEmployment.</i></p>
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