

22 December 2010

Unfair dismissal small business employer definition to change from 1 January 2011

Small business employers covered by the federal workplace relations system benefit from:

- a minimum employment period of 12 months during which an employee is unable to make an unfair dismissal claim (for employers that are not small businesses this period is six months);
- a Small Business Fair Dismissal Code that has a checklist that small business employers can follow to ensure a dismissal is not unfair.

Up until 31 December 2010, a small business employer means a business with fewer than 15 full time equivalent employees. However from 1 January 2011 this definition will change and will take on the *Fair Work Act 2009* meaning, being an employer with fewer than 15 employees by individual head count, irrespective of hours worked.

It is important that all businesses are aware of the laws in relation to unfair dismissal and adopt a fair and systematic approach when terminating an employee's employment. It is recommended that guidance is sought before taking steps to terminate an employee.

***For further information call HIA's Workplace Advisers on
1300 650 620***