

## Who is actually redundant?

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A common reason for redundancies is that a business has more workers than it needs or can afford to pay. But how do you determine which workers are redundant? A recent case provides a good illustration of this.

PMP Print employed staff in its Christchurch bindery on a day shift, an afternoon shift and a night shift. Their hours of work were set in their terms and conditions of employment. To achieve cost savings and address reduced work volumes, after consulting staff PMP Print decided to stop running a night shift.

Instead of making the night shift staff redundant, PMP Print applied selection criteria across all the bindery staff to decide which staff to keep, working on the day and afternoon shifts. For example only 3 of 4 bindery assistants were needed, so one needed to go. Mr Crisp, from the day shift, was selected for redundancy.

The Employment Relations Authority decided that Mr Crisp's position was not surplus to requirements. Someone was still needed to do what he did on the day shift. It was the night shift workers who should have been made redundant.

As another example, someone returning from parental leave is not redundant if someone else is now doing the job she took leave from. And you cannot make a labourer redundant in order to avoid redundancy for the foreman whose job is no longer needed - even if the ex-foreman would do the labourer's job better than the labourer.

If a job has disappeared or is no longer required, then the person who holds that job is the person who is redundant. It is not acceptable to make someone with a different job redundant in order to keep the person whose job has disappeared.

However if one of a number of equivalent jobs is no longer required, then it is appropriate to carry out a selection process amongst those people who hold the equivalent jobs, in order to determine which one of them is redundant. In that situation where there are equivalent jobs, an employer can use selection criteria to choose the best staff to retain having regard to the needs of the business.

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