

# EXAMPLE OF A RETRENCHMENT NOTICE LETTER

## *TYPE on YOUR COMPNAY Letterhead/Logo*

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Date: \_\_\_\_\_

NAME of EMPLOYEE

### **NOTIFICATION OF CONSULTATION ON IMPENDING RETRENCHMENT**

**1. REASON/s for your POSSIBLE Dismissal based on Operational Requirements:**

Due to a consistent downward trend in profits, unfavourable economical factors and a rise in costs, it is necessary for management to RETRENCH staff.

**2. POSSIBLE ALTERNATIVES:**

There appear to be few, if any, alternative positions available at this stage. We wish to emphasise that NO final decision has yet been taken, or will be taken in the absence of consultation with you.

**3. THE NUMBER OF EMPLOYEES LIKELY TO BE AFFECTED:**

It is envisaged that \_\_\_\_\_ employee/s, at this stage, will be affected.

**4. THE PROPOSED METHOD OF SELECTING EMPLOYEES:**

In deciding WHO will be retrenched, the following criteria will be taken into account:

- 4.1 *Length of service;*
- 4.2 *Disciplinary record;*
- 4.3 *Work performance;*
- 4.4 *Dependants;*
- 4.5 *Suitability to work environment*

**5. Time Limits or the Period during which the DISMISSALS are likely to take Effect:**

Subject to consultation, it is intended that the consultative process be finalized by \_\_\_\_\_ . It is proposed that any notice of termination of employment would be given effect from \_\_\_\_\_.

It will be expected of all employees to perform their normal duties according to their respective job descriptions and to maintain the necessary discipline.

**6. OPPURTUNITY FOR FEEDBACK:**

The employee has got the right to make recommendation at the consultation. If any recommendations need to be made after consultation it must be done within 24 hours after consultation in writing. Recommendations must be considered by the Employer and responded to in writing within 24 hours.

**7. PROPOSED SEVERANCE PAY:**

Insofar as it appears that a reasonable offer of alternative employment (i.e upon substantially the same terms and conditions of employment) cannot be made, it is proposed that the following severance payment be made in absence of an offer of alternative employment:

- 7.1 Six days wages for each completed year of service or part thereof for an employee who has been employed for less than five consecutive years;
- 7.2 Seven days wages for each completed year of service or part thereof for an employee who has been employed for five to ten consecutive years;
- 7.3 Eight days wages for each completed year of service or part thereof for an employee who has been employed for ten consecutive years or more.

**8. PROPOSED ASSISTANCE TO EMPLOYEES:**

We shall be happy to contact other salons to enquire about vacancies on your behalf should you not receive an alternative offer of employment. The Employer shall also assist with suitable time-off to seek alternative employment.

**9. POSSIBILITY OF FUTURE RE-EMPLOYMENT:**

Should an employment opportunity arise within the next six months, the retrenched employees will be the first to be notified before looking elsewhere.

**10. NOTIFICATION OF CONSULTATIVE MEETING:**

**A consultative meeting has been arranged for, \_\_\_\_\_ (Date) at \_\_\_\_\_ (Time) at \_\_\_\_\_ (Address), at which you are requested to be present. *At such meeting you will be entitled to have Union representation, alternatively, if you so wish, a fellow employee, present.***

Yours faithfully

\_\_\_\_\_  
**EMPLOYER (Name)**

**Acknowledgement  
of Receipt:** \_\_\_\_\_  
**EMPLOYEE (Name)**

**c.c. UNION**