

Casual Conversion Explained

Checklist and flowchart

Introduction

Parliament has passed a Bill which now enforces medium and large business to offer casual conversion to employees after 12 months of consistent work or justify why they should not. Small businesses are exempt from this legislation, but employees can still request it.

To help your business understand if it's compliant with this new legislation, the team at HR Assured has created a checklist and flowchart.

Casual conversion checklist

Answer the questions below and check how you scored on page 2.

1. Do you have a casual workforce? Tick yes even if you just have 1 casual employee.

Yes No

2. Do you own or operate a small business?

Yes No

3. Do you own or operate a medium or large business?

Yes No

4. Do you have a system in place which notifies you when a casual employee has been employed for more than 12 months?

Yes No

5. Has any of your casual employees worked regular patterns of hours in the last six months that they could continue as a permanent employee?

Yes No

6. Did you know that you have to offer a casual employee the opportunity to convert to permanent employment in writing within 21 days after they reach their 12-month anniversary?

Yes No

7. Did you know that there are some instances where a medium-to-large business is NOT required to offer casual conversion where there are reasonable business grounds?

Yes No

8. Do you have the right legal templates and processes to ensure your business is compliant with this new legislation?

Yes No



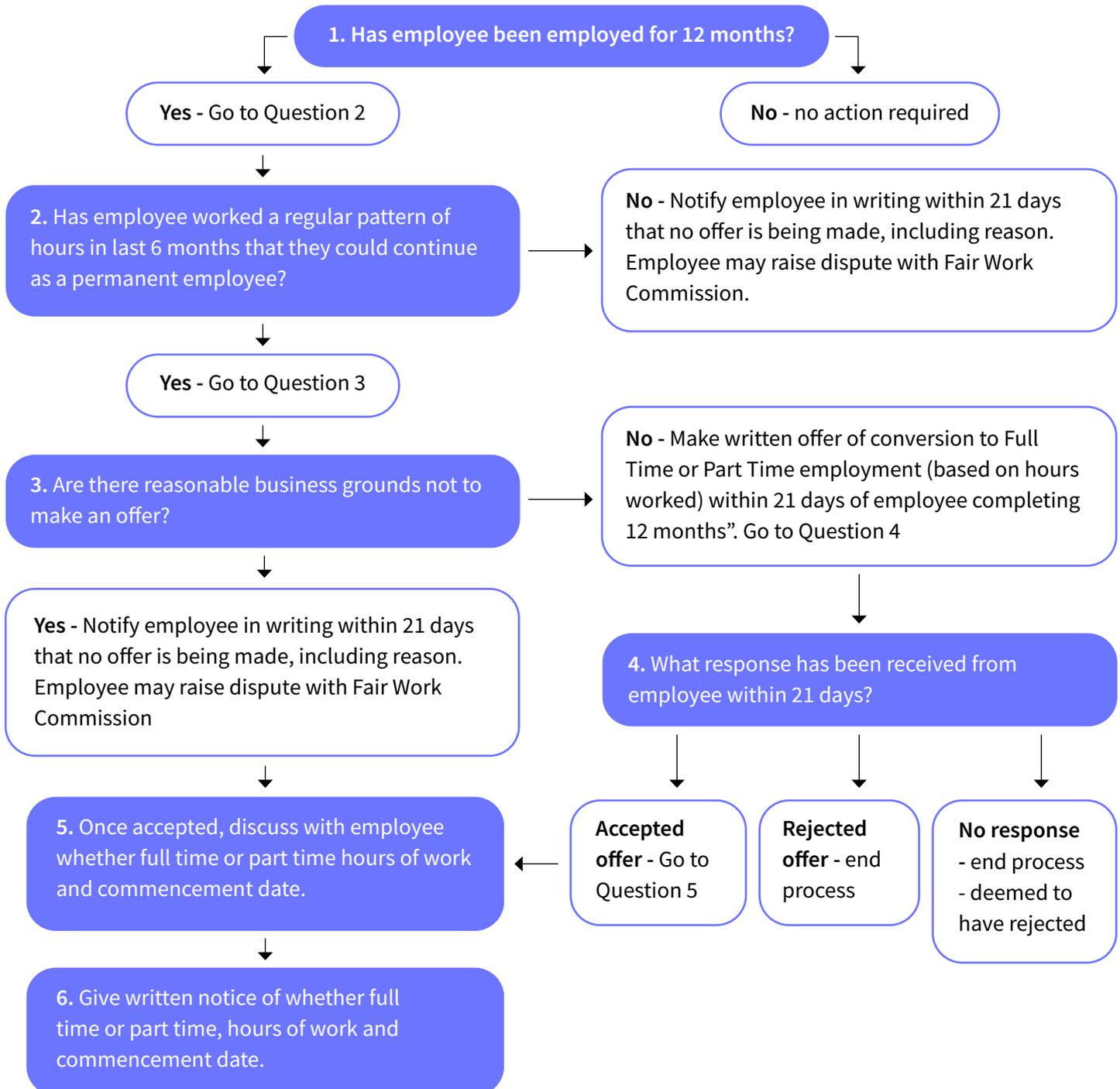
Answer page

	Answer
1	The Bill now provides a clear definition of casual employment: a casual employee will be deemed to be a casual employee if the employer offers employment to them on the basis that the employer makes no firm advance commitment to continuing and indefinite work according to an agreed pattern of work and that offer is accepted. Importantly, the hours the casual employee works after the employment has started will have no bearing on their casual status.
2	Small businesses are exempt from this new legislation, but employees can still request casual conversion. Read the flowchart on page 3 to understand this process.
3	Medium and large businesses must now offer casual conversion to casual employees after 12 months of employment (and six months of consistent work) or justify why it should not.
4	Casual conversion is an admin-heavy, time-consuming task and it's easy to make a mistake if you're not using the right tools. If you answered NO, consider acquiring an HRIS which notifies you when an anniversary is approaching, and walks you through the casual conversion process to ensure your business is compliant. HR Assured's HRA Cloud can do all of this for you.
5	If you answered YES to this question, then you will need to assess if the business has reasonable grounds NOT to make a casual conversion offer and are these reasonable grounds based on facts that are known, or are reasonably foreseeable?
6	Employers must ensure the offer is provided to the employee in writing and given to the employee within 21 days after they reach their 12-month anniversary. However small businesses, (businesses that have less than 15 employees), are exempt from having to offer conversion. Casual employees of these businesses are still able to request conversion, however the administrative burden of having to actively offer conversion is removed for small businesses.
7	The reasonable business grounds for deciding whether a business is exempt from making an offer include: <ol style="list-style-type: none">the employee's position will cease to exist in the next 12 months;the hours of work which the employee is required to perform will be significantly reduced;there will be a significant change in either both of the following:<ul style="list-style-type: none">the days on which the employee's hours of work are required to be performed;the times at which the employee's hours of work are required to be performed which cannot be accommodated within the days/times the employee is available to workmaking an offer of conversion would not comply with a recruitment or selection process required by law. Even where this is the case, an employer is still required to notify a casual employee of its decision.
8	HR Assured's HRA Cloud is fully equipped with the right tools, processes and legal templates to ensure every single casual employee is compliant.



Casual conversion flowchart

Answer the questions below to determine if your business is required to convert a casual employee.



Complimentary workplace advice

Not an HR Assured client and have a question about casual conversion? We'd like to offer your business a no obligation, complimentary 30-minute consultation call. Employers can speak to our friendly workplace relations consultants and seek advice about a workplace issue. You can arrange your complimentary consultation [here](#).



Our clients reduce the time they spend on HR admin by up to 90%. That's more time for you to run your business and work on the things that matter.



Audit

- Complete compliance review
- Identify potential risks and claims
- Rectify non compliant processes
- Fulfil Fair Work and WHS best practices



HRA Cloud

- Manage your employees online
- Up-to-date online documentation repository
- Employer workflows, templates, guides and more
- Simple and effective payroll integration



Telephone Advisory Service

- 24 hour telephone support 365 days a year
- Qualified lawyers and HR consultants
- Expert advice on HR and WHS best practices
- All calls are logged for your reference



Library of Resources

- Hundreds of documents, templates, employment contracts, workflows, workplace policies and procedures
- Accessible and easy to use
- Backed by specialist workplace lawyers



Insurance & Representation

- You're fully insured under a comprehensive policy
- Up to \$2 million in coverage a year
- No excess and no premiums on claims
- In-house representation by FCB Workplace Law



WHS

- Hazard management
- Incident management utilising integrated workflows and checklists
- Return to work and consultations in compliance with current legislation
- Workforce participation



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