

Letter of engagement template for hiring new employees – full-time/part-time

A letter of engagement is a useful document to use when hiring new employees.

The letter informs new full-time or part-time employees about the terms and conditions of their employment with your business, including:

- start date
- position
- hours of work, and
- pay and other entitlements.

Suggested steps for preparing and using a letter of engagement

If at any time you need more information or assistance, call the Fair Work Infoline on 13 13 94 or visit www.fairwork.gov.au.

Step 1: Create your letter of engagement

Check what minimum entitlements apply to the position so you can fill in the relevant sections in the template, including:

- pay
- hours of work
- shift penalties and loadings
- leave entitlements, and
- termination of employment notice periods.

Minimum entitlements can come from a range of sources including industrial instruments (e.g. an award or an enterprise agreement) and legislation, such as the *Fair Work Act 2009*.

This letter of engagement template has been colour coded to assist you to complete it accurately. You simply need to replace the red < > writing with what applies to your employee and situation. The letter is broken into numbered clauses. Some of the clauses are optional because they might not apply to your employee and can simply be deleted. Explanatory information is shown in blue italics at certain clauses to assist you and should be deleted once you have finished the letter.

Step 2: Consider whether you need legal advice

You don't have to seek legal advice when you're hiring new staff, but for some jobs and in some industries it's a good idea to ask for professional help. For example, certain jobs and industries might have specific requirements to do with restricting future trade or confidentiality clauses; this template does not provide the legal details you might need in these instances. It may be necessary or appropriate to have an employee sign a detailed written contract of employment as well as a letter of engagement. Even in more straightforward roles, you may want specific professional advice to assure yourself that you have covered all the important issues that relate to your business and the position you are filling.

Step 3: Meet with the new employee and provide the letter of engagement

Meeting face to face with your new employee to provide the letter and talk about the contents is a good opportunity for:

- you to explain the terms and conditions of employment
- the employee to ask questions, and
- you to describe your expectations for the job.

Step 4: Give your new employee time to consider the letter of engagement

You should give the person enough time to consider the contents of the letter of engagement and seek their own advice (if they want it) before they accept the offer. When providing the letter you should give a date by when you'd like the person to let you know whether the offer is accepted.

Also, it is good practice to give the employee your contact details in case they have more questions.

Step 5: Keep a copy of the signed letter of engagement and provide the employee with a copy

Once you have received the signed letter of engagement from the employee, return a copy to them. This ensures you both have a record of what has been agreed.

The Fair Work Ombudsman is committed to providing you with advice that you can rely on.

The information contained in this template is general in nature. If you are unsure about how it applies to your situation you can call our Infoline on 13 13 94 or speak with a union, industry association or a workplace relations professional.

<Print on your business letterhead>

<Date>

Private and confidential

<Insert employee's full name>

<Insert employee's residential address>

Dear <insert name>

Letter of engagement

I am pleased to offer you employment in the position of <insert position title> with us at <insert company/partnership/sole trader name and the trading name of business> ('the employer') on the terms and conditions set out in this letter.

1. Position

- 1.1 Your start date will be <insert start date>.
- 1.2 Your employment will be <full-time/part-time>.
- 1.3 The duties of this position are set out in the **attached** position description. You will be required to perform these duties, and any other duties the employer may assign to you, having regard to your skills, training and experience.
- 1.4 You will be required to perform your duties at <location>, or elsewhere as reasonably directed by the employer.

2. Probation

This clause is optional. Delete all of clause 2 if no probation period will apply.

- 2.1 A probation period will apply for the first <insert number> months of your employment. During this time we will assess your progress and performance in the position.

What is a reasonable probation time will depend on things like industry practice, the job and individual circumstances. Please note that having a probationary period will not affect an employee's entitlement to lodge an unfair dismissal complaint. Unsure or want more information? Contact the Fair Work Infoline on 13 13 94.

- 2.2 During the probation period you or the employer may end your employment by providing notice in accordance with the table in clause 8.1 below.

3. Terms and conditions of employment

- 3.1 Unless more generous provisions are provided in this letter or in the attached Schedule, the terms and conditions of your employment will be those set out in the <insert relevant award name (or enterprise agreement name if you have one)> and applicable legislation. This includes, but is not limited to, the National Employment Standards in the *Fair Work Act 2009*. Neither the <insert relevant award name (or enterprise agreement name if you have one)> nor any applicable legislation are incorporated into your contract of employment.

Call the Fair Work Infoline on 13 13 94 for information about your award or enterprise agreement.

- 3.2 The additional terms and conditions set out in the attached Schedule will also apply to your employment.

Delete this clause if none apply.

4. Ordinary hours of work

- 4.1 Your ordinary hours of work will be **<insert number of hours: 38 if full-time>** per week, plus any reasonable additional hours that are necessary to fulfil your duties or as otherwise required by the employer.

What are reasonable additional hours? There are many things you need to consider. Call the Fair Work Infoline on 13 13 94 for information and advice.

- 4.2 Your ordinary hours of work may be averaged over a **<insert number of weeks allowed by the applicable award, enterprise agreement or National Employment Standards>** week period.

This clause is optional and can be deleted. There are strict rules about when and how hours can be averaged. For help call the Fair Work Infoline on 13 13 94.

5. Remuneration

- 5.1 You will be paid **<weekly/fortnightly/monthly>** at the rate of \$**<XX>** per **<hour/week/month/year>**.

- 5.2 The employer will also make superannuation payments on your behalf in accordance with the *Superannuation Guarantee (Administration) Act 1992*.

If superannuation is set out in your award or enterprise agreement you must pay at least that amount. If you are unsure about superannuation, contact the Super Hotline on 13 10 20. Or, contact the Fair Work Infoline on 13 13 94 to check your award/enterprise agreement.

- 5.3 Your remuneration will be reviewed annually and may be increased at the employer's discretion.

Note that the employee must always be paid in line with, or above, the relevant minimum wage.

6. Leave

- 6.1 You are entitled to leave (e.g. annual leave, personal leave, carers leave, compassionate leave, parental leave, community service leave and long service leave) in accordance with the **<insert applicable award or enterprise agreement name or delete if there is neither>** and the National Employment Standards.

7. Your obligations to the employer

- 7.1 You will be required to:

- (a) perform all duties to the best of your ability at all times;
- (b) use your best endeavours to promote and protect the interests of the employer; and
- (c) follow all reasonable and lawful directions given to you by the employer, including complying with policies and procedures as amended from time to time. These policies and procedures are not incorporated into your contract of employment.

8. Termination of employment

- 8.1 Under the *Fair Work Act 2009* the employer may terminate your employment at any time by providing you with notice in writing in accordance with this table:

Length of continuous service with employer	Period of notice
Not more than 1 year	1 week
More than 1 year but less than 3 years	2 weeks
More than 3 years but less than 5 years	3 weeks
More than 5 years	4 weeks

If you are covered by an award or enterprise agreement that has longer periods of notice, you need to amend this table so it is in line with the more generous provisions.

- 8.2 You are entitled to an additional week's notice if you are over 45 years old and have completed at least 2 years of continuous service with the employer on the day the notice of termination is given.
- 8.3 If you wish to terminate your employment you are required to provide the employer with prior notice in accordance with the table at 8.1 above.

9. Confidentiality

Depending on your industry and the type of work the person will be doing, you may wish to seek independent legal advice about the protection of intellectual property.

- 9.1 By accepting this letter of offer, you acknowledge and agree that you will not, during the course of your employment or thereafter, except with the consent of the employer, as required by law or in the performance of your duties, use or disclose confidential information relating to the business of the employer, including but not limited to client lists, trade secrets, client details and pricing structures.

10. Entire agreement

- 10.1 The terms and conditions referred to in this letter constitute all of the terms and conditions of your employment and replace any prior understanding or agreement between you and the employer.
- 10.2 The terms and conditions referred to in this letter may only be varied by a written agreement signed by both you and the employer.

If you have any questions about the terms and conditions of employment, please don't hesitate to contact <me/insert contact person> on <insert phone number>.

Employees and employers may also seek information about minimum terms and conditions of employment from the Fair Work Ombudsman. You can contact them on 13 13 94 or visit their website at www.fairwork.gov.au.

To accept this offer of employment please return a signed and dated copy of this letter to me by **<insert date>**.

Yours sincerely,

<Insert name>

<Insert position>

I, **<insert name of employee>**, have read and understood this letter and accept the offer of employment from **<insert company/partnership/sole trader name>** on the terms and conditions set out in the letter.

Signed: _____ Date: ____ / ____ / ____

Print name: _____

PLEASE KEEP A COPY OF THIS LETTER FOR YOUR RECORDS

POSITION DESCRIPTION

<Insert position description for this employee here>

SCHEDULE OF ADDITIONAL TERMS AND CONDITIONS

| *Optional section; delete if not relevant.*

<Insert any additional terms and conditions that are not below the minimum entitlements provided in the relevant industrial instrument (e.g. award or agreement) or legislation>