Calculating Annual Leave – 40.2 Weeks Working Year
(40.2 weeks = 40 term weeks plus 1 day (usually 1 pupil free day in the week prior to school starting)).

Parents & Citizens Associations Retail Award – State 2012
(P&C Association Retail, Administration and Management Employees)

What is Annual Leave?

Every employee (other than a casual employee) covered by this Award shall at the end of each year of employment be entitled to annual leave on full pay of 4 weeks. The entitlement is pro-rata for part-time employees.

Annual Leave Calculation

The accrual for full-time employees for annual leave is 152 hours per annum (i.e. 4 weeks annual leave per annum on a 38 hour week basis).

The entitlement will accrue at the rate of:

Note: If the working year is greater or less than 40 weeks, the number of weeks to be substituted into the computer accrual formula is the number of working weeks plus the four (4) weeks annual leave. In this example below – 40.2 + 4 = 44.2 weeks.

1. \[ \frac{152}{44.2 \text{ weeks}} = 3.4389 \text{ hours per week} \] (including paid annual, sick & long service leave). This weekly accrual is only for full-time employees.

2. \[ \frac{3.4389}{38} \text{ (hours per week)} = 0.09050 \text{ hours per hour paid} \] (including paid annual, sick & long service leave).

The hourly accrual figure is used for calculating the accrual for both part-time and full-time employees.

Example: If an employee works 20 hours per week = 0.09050 x 20 = 1.81 hours leave accrual per week.

Taking of Annual Leave

Unless otherwise mutually agreed, annual leave accrued shall be taken outside of term time during the Christmas vacation.
Public Holidays

Annual leave is exclusive of any public holiday which may occur during the period of the annual leave and shall be paid for by the employer in advance. Additional days paid for public holidays; do not attract the Annual Leave Loading.

Annual Leave Payment

Unless an employee and employer otherwise agree, annual leave payments must be made before the employee begins their leave:

(a) In the case of any and every employee in receipt immediately prior to that leave of ordinary pay at a rate in excess of the ordinary rate payable under this Award at the excess rate; and
(b) In every other case, at the ordinary rate payable to the employee concerned immediately prior to that leave under this Award.

The annual leave loading shall not apply to:

(a) periods of annual leave exceeding 4 weeks;
(b) Employers (and their employees) who are already paying (or receiving) an annual leave bonus, loading or other annual leave payment which is not less favourable to employees.

What happens if the employee is ill during annual leave?

The employee cannot legally claim additional leave in lieu of illness that occurred during annual leave.

Effects of Unpaid Leave on Annual Leave

In working out a completed year of employment, the following periods when an employee is absent without pay are not to be taken into account.

(a) a period of more than 3 months when an employee is absent with the employer’s approval;
(b) a period when an employee is absent for not more than 3 months because of illness or injury certified to by a doctor.

Can an employee ‘cash in’ annual leave?

No. Annual leave cannot be paid out to an employee unless the employee is actually taking time away from work for annual leave purposes or has terminated employment with the employer. Employers should be aware that at law, payment for annual leave at any other time would not be considered payment for annual leave.

Does annual leave continue to accumulate?

Generally, annual leave continues to accumulate indefinitely.
Is annual leave payable on termination?

Yes. All annual leave owing is payable on termination, except where the employee is transferred from one employer to another. If an employee has not taken all annual leave they are entitled to, at the time of termination they are presumed to have taken their leave from the date of termination.

Before completion of a full year of employment – such employee will be paid annual leave equivalent to $1/12$ of such employee’s pay for the period of employment (ordinary hours only not overtime hours). The 17.5% Annual Leave Loading will apply to such annual leave.

Can an employer terminate an employee who is on annual leave?

No. The initial notification of Termination may be given by the employer whilst the employee is on annual leave, however the notice will not commence until the employee returns to work after the conclusion of annual leave.

In a situation where Notice has been given and this notice extends into an annual leave period the notice will cease while the employee is on annual leave and recommence when the annual leave concludes.

Can an employee terminate themselves while on annual leave?

Yes, as this Award does not contain specific provision that annual leave cannot be counted as notice of termination by either party.

Note: An employee may forfeit wages if the notice period exceeds the annual leave period.

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