





Leave Calculation Guide

A guide to calculating annual leave

This guide outlines a process for calculating the number of hours of annual leave an employee has accrued and if the employment is ending, the required annual leave payments. Tables are provided for both full time and part time employees.

Further information is available at www.lgirs.wa.gov.au/annual-leave or by calling Wageline on 1300 655 266.

Calculating annual leave for full time employees

Full time employees are entitled to four weeks of annual leave for each year of completed service, up to a maximum of 152 hours per year. Full time employees working a 38 hour week accrue annual leave at the rate of 2.923 hours per completed week of service (152/52 = 2.923).

Step 1

Calculate the total number of hours of annual leave the employee has accrued

Number of completed weeks of work

Multiplied by 2.923

Equals total hours of annual leave accrued

Example:

Employee has worked for 52 weeks x 2.923

= 152 hours of annual leave

Step 2

Reduce the total amount of leave accrued by any hours of annual leave the employee has already taken

Total hours of annual leave accrued

Minus annual leave hours already taken

Equals annual leave hours available to be used

Example:

152 hours accrued

- 38 hours annual leave taken
 - = 114 annual leave hours available

Only use Step 3 if the employment is ending

Step 3

Annual leave hours owed

Multiplied by current hourly pay
rate

Equals annual leave payment when employee resigns, is dismissed or made redundant

Example:

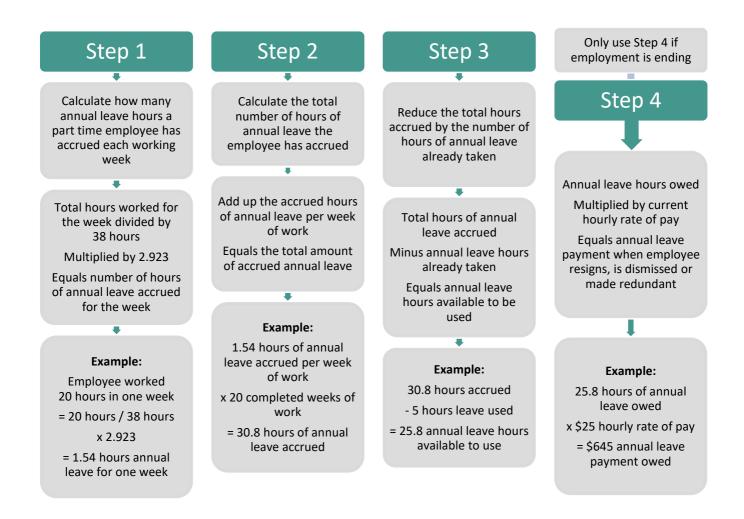
114 hours annual leave owed x \$25.00 hourly rate = \$2,850 annual leave payment

If the employee is covered by a WA award, check the relevant WA award summary to determine whether annual leave loading must be paid when an employee takes annual leave and whether loading must be paid when annual leave is paid out when the employee resigns, is dismissed or made redundant.

Calculating annual leave for part time employees

Part time employees are entitled to four weeks of annual leave per year paid on a pro rata basis according to the number of hours they work. If the part time employee works different hours each week, calculate how much annual leave they are entitled to on a weekly basis.

In this example the employee works the same number of part time hours each week. If a part time employee varies their working hours each week, then the employee will accrue a different amount of annual leave each week. Add together each week to get the total number of accrued annual leave hours.



If the employee is covered by a WA award, check the relevant WA award summary to determine whether annual leave loading must be paid when an employee takes annual leave and whether loading must be paid when annual leave is paid out when an employee resigns, is dismissed or made redundant.

Record keeping and pay slips

Employers must keep employment records that include all annual leave taken by employees and/or paid out on termination or resignation. Visit the <u>Employment records and pay slips</u> section on the Wageline website for details.

Disclaimer

This guide to calculating annual leave is provided as a general guide only and is not designed to be comprehensive or to provide legal advice. The Department of Local Government, Industry Regulation and Safety does not accept liability for any claim which may arise from any person acting on, or refraining from acting on, this information.