



A GUIDE TO CALCULATING ANNUAL LEAVE

An employee, other than a casual employee, is generally entitled to four weeks paid annual leave each year, up to a maximum of 152 hours per year.

Guide to calculating annual leave for full time employees - 38 hour week

Full time employees working a 38 hour week accrue annual leave at the rate of 2.923 hours per completed week of service ($152/52 = 2.923$).

To determine how much annual leave a full time employee has accrued refer to the calculation below. If you have any queries contact Wageline on 1300 655 266.

Step 1

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

Number of completed weeks of service
X (multiplied by)
2.923
= (equals)
Total hours annual leave accrued

Step 2

Reduce the total hours accrued by the number of hours annual leave already taken.

Total hours annual leave accrued
- (minus)
Annual leave already taken
= (equals)
Annual leave hours owed

Step 3

Only to be used if employment is ending.

Annual leave hours owed
X
Current hourly rate of pay
+ (plus)
Leave loading if applicable
= (equals)
Total monies owed

Note: 38 is the number of ordinary hours generally worked by a full time employee under the relevant award, agreement or contract. If you are unsure of the appropriate full time hours for your business contact Wageline on **1300 655 266**.

Guide to calculating annual leave for part time employees – pro rata hours of work

Part time employees also receive 4 weeks annual leave per year but it is paid based on their part time weekly wage.

For example, an employee working 10 hours per week would be entitled to four weeks annual leave per year paid at a rate of 10 hours per week (i.e. 40 hours).

To determine how much annual leave a part time employee has accrued refer to the calculation below. If you have any queries contact Wageline on 1300 655 266.

Step 1

If the employees hours differ each week first work out the average hours worked per week.

$$\begin{aligned} & \text{Total hours worked} \\ & \quad / \text{ (divided by)} \\ & \text{Number of completed weeks of service} \\ & \quad = \text{ (equals)} \\ & \text{Average hours worked per week} \end{aligned}$$

Step 2

Use the average number of hours to calculate how much annual leave the employee accrues per week.

$$\begin{aligned} & \text{Average hours worked per week} \\ & \quad / 38^* \\ & \quad \times \text{ (multiplied by) } 2.923 \\ & \quad = \text{ (equals)} \\ & \text{Number of hours annual leave accrued per} \\ & \quad \text{week of service} \end{aligned}$$

Step 3

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

$$\begin{aligned} & \text{Number of hours annual leave accrued per} \\ & \quad \text{week of service} \\ & \quad \times \text{ (multiplied by)} \\ & \text{Number of completed weeks of service} \\ & \quad = \text{ (equals)} \\ & \text{Total hours annual leave accrued} \end{aligned}$$

Step 4

Reduce the total hours owed by the number of hours leave already taken.

$$\begin{aligned} & \text{Total annual leave hours owed} \\ & \quad - \text{ (minus)} \\ & \text{Annual leave hours already taken} \\ & \quad = \text{ (equals)} \\ & \text{Annual leave hours available to be used} \end{aligned}$$

Step 5

Only to be used if employment is ending.

$$\begin{aligned} & \text{Annual leave hours owed} \\ & \quad \times \text{ (multiplied by)} \\ & \text{Current hourly rate of pay} \\ & \quad + \text{ (plus)} \\ & \text{Leave loading if applicable} \\ & \quad = \text{ (equals)} \\ & \text{Total monies owed} \end{aligned}$$