

## Direction to take excessive annual leave

Some awards allow an employer to direct employees to take annual leave if they have more than 8 weeks of accrued annual leave (10 weeks for a shiftworker).

You can use this letter to direct employees who have accrued excessive annual leave to take a period of annual leave to reduce their leave balance.

Not all awards allow you to direct your employees to take annual leave because they have more than 8 weeks' leave accrued (10 weeks for a shiftworker).

You should check your award carefully before using this letter.

## Suggested steps for preparing a letter to direct an employee to take annual leave, when they have an excessive annual leave balance

For more information or assistance, call the Fair Work Infoline on 13 13 94 or visit [www.fairwork.gov.au](http://www.fairwork.gov.au).

### Step 1: Check your award

You can only direct employees to take annual leave when they have more than 8 weeks (10 weeks for a shiftworker) accrued if it is allowed under your award.

Check your award to see if it includes this provision, and if there are any other requirements or conditions you must fulfill.

### Step 2: Talk to the employee

You should meet with the employee to discuss their accrued annual leave and how they will reduce it. The meeting is an opportunity for you to:

- ask the employee if there is a reason they have accrued more than 8 weeks' (10 weeks for a shiftworker) leave (e.g. they may be planning an overseas trip)
- advise the employee you would like them to take some of their annual leave, and
- agree on a time for the employee to take the leave.

### Step 3: Create your letter direction to take annual leave due an excessive leave balance

You must provide the employee with notice of at least 8 weeks' but not more than 12 months, that you require them to take annual leave.

The notice must include the agreed start and end date of the leave.

This 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. Explanatory information is shown in blue italics to assist you and should be deleted once you have finished the letter.

#### **Step 4: Provide the letter to the employee and keep a copy for your records**

Provide the letter to the employee, ensuring they receive it at least 8 weeks before the agreed start of the annual leave, and not more than 12 months.

You should also keep a copy of the letter for your records.

*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>

**Direction to take annual leave due to excessive annual leave accrual**

As discussed on <insert date of verbal discussion regarding extensive accumulated annual leave>, you currently have <insert amount of accrued annual leave in weeks and days calculated to the date of this letter>.

Clause <insert relevant clause number> of the <insert applicable award title> (the Award), provides that with at least 8 weeks' notice, and not more than 12 months' notice, an employer can require an employee to take a period of annual leave if the employee has more than 8 weeks accrued (10 weeks for a shiftworker).

Please consider this letter notifying you that you are required to reduce your annual leave balance/accrual to 6 to 8 weeks (but not less than 6 weeks).

The leave you need to take is <insert total number of days> days, from <insert start date of leave> until <insert end date of leave>.

*You must provide this letter to your employee with at least 8 weeks' notice of when the leave will begin and not more than 12 months after the direction is given.*

Your base rate of pay for your ordinary hours of work will continue to be paid to you throughout the leave period. Annual leave loading may also be payable in some instances.

*Check your award to find out if you need to pay annual leave loading or other penalty rates during the period of annual leave.*

Should you have any questions in relation to this request, please contact me on <insert phone number>.

Yours sincerely,

<Insert name>

<Insert position>

PLEASE KEEP A COPY OF THIS LETTER FOR YOUR RECORDS