

Final pay

Final pay is what an employer owes an employee when their employment ends.

Most awards say that employers need to pay employees their final payment within 7 days of the employment ending. Employment contracts, enterprise agreements or other registered agreements can also specify when final pay must be paid.

If an employee's award, contract or agreement doesn't say when an employee's final pay must be paid, then it's best practice for an employee to be paid within 7 days of their employment ending.

Final pay payments

An employee should get the following entitlements in their final pay:

- outstanding wages for hours they have worked, including penalty rates and allowances
- any accumulated annual leave, including annual leave loading if it would have been paid during employment
- if it applies:
 - accrued or pro rata [long service leave](http://www.fairwork.gov.au/leave/long-service-leave) (www.fairwork.gov.au/leave/long-service-leave)
 - [payment in lieu of notice](http://www.fairwork.gov.au/ending-employment/notice-and-final-pay) (www.fairwork.gov.au/ending-employment/notice-and-final-pay)
 - [redundancy pay](http://www.fairwork.gov.au/ending-employment/redundancy/redundancy-pay-and-entitlements) (www.fairwork.gov.au/ending-employment/redundancy/redundancy-pay-and-entitlements) .

Sick and carer's leave is not paid out when employment ends.

Employment separation certificates

The Department of Human Services sometimes requires employers to complete an Employment Separation Certificate when an employee stops working for them. This certificate needs to include information about final pay payments. For information about giving or receiving separation certificates, go to the [Department of Human Services website](https://www.humanservices.gov.au/organisations/business/services/centrelink/employment-status-verification) [↗](https://www.humanservices.gov.au/organisations/business/services/centrelink/employment-status-verification) (<https://www.humanservices.gov.au/organisations/business/services/centrelink/employment-status-verification>) .

Calculating final pay

You can use some of our tools to help you work out what money is owed in a final pay payment.

Check your award and pay rate

Use our [Pay Calculator](http://www.fairwork.gov.au/paycalculator) (<http://www.fairwork.gov.au/paycalculator>) to find your award and pay rate, including penalty rates and allowances.

If you're covered by an enterprise agreement, you can find agreements on the [Fair Work Commission](https://www.fwc.gov.au/search/document/agreement) [↗](https://www.fwc.gov.au/search/document/agreement) (<https://www.fwc.gov.au/search/document/agreement>) website.

If you're not covered by an award or an enterprise agreement, you're entitled to the [National Minimum Wage](http://www.fairwork.gov.au/awards-and-agreements/award-and-agreement-free-wages-and-conditions) (www.fairwork.gov.au/awards-and-agreements/award-and-agreement-free-wages-and-conditions) .

Check annual leave entitlements

Calculate any outstanding annual leave entitlements owed to full-time or part-time employees using our [Leave Calculator](https://calculate.fairwork.gov.au/leave) (<https://calculate.fairwork.gov.au/leave>) .

If an employee gets annual leave loading during employment then it also has to be paid out when employment ends. Annual leave loading is paid out even when an award, registered agreement or employment contract says that it's not.

Find information about other entitlements relating to final pay in your award by selecting from the list below.

Notice and redundancy

Whether an employee quits or is fired, notice is generally required.

Most awards say that an employer can deduct up to one week's wages from an employee's pay if:

- the employee is over 18
- the employee hasn't given the right amount of notice under their award

- the deduction isn't unreasonable.

However, employers can only deduct pay from wages owed under the award. They can't deduct from other entitlements owed to the employee, such as accumulated leave or other overaward payments.

Check your [award \(www.fairwork.gov.au/awards-and-agreements/awards/list-of-awards\)](http://www.fairwork.gov.au/awards-and-agreements/awards/list-of-awards) for more information about withholding pay when minimum notice isn't given.

If the employer hasn't given the right notice the employee may be owed money. If the termination was because of a redundancy an employee may also be entitled to [redundancy pay \(www.fairwork.gov.au/ending-employment/redundancy/redundancy-pay-and-entitlements\)](http://www.fairwork.gov.au/ending-employment/redundancy/redundancy-pay-and-entitlements).

Check how much notice and redundancy is owed by using our [Notice and Redundancy Calculator \(https://calculate.fairwork.gov.au/EndingEmployment\)](https://calculate.fairwork.gov.au/EndingEmployment).

Based on what you've told us, it looks like you're covered by the Clerks – Private Sector Award 2010 [MA000002].

Final pay

An employer must pay an employee's final pay no later than 7 days after the employee's employment ends.

An employee should get the following entitlements in their final pay:

- any wages they're owed for hours they've worked, including penalty rates and allowances
- any accumulated annual leave, including annual leave loading if it would have been paid during employment
- if it applies:
 - accrued or pro rata long service leave
 - payment in lieu of notice
 - redundancy pay.

Sick and carer's leave isn't paid out when employment ends.

Payment for rostered days off that haven't been taken

An employee with banked rostered days off (RDOs) has to get them paid out when employment ends. RDOs are paid out at 1/5th of the person's average weekly pay over the last 6 months, multiplied by the number of untaken days.

Example: Payment for untaken RDOs when employment ends

Herb is full-time. His average weekly pay over the last 6 months is \$750 per week.

Herb is dismissed by his employer and has 2 accumulated RDOs that he hasn't taken.

This means that his final pay has to include payment for the untaken RDOs.

His payment is calculated by:

- Finding 1/5 of \$750 (the average weekly pay) = $750 / 5 = \$150$
- Multiplying the amount in step 1 by the number of untaken RDOs (2) = $\$150 \times 2 = \300 .

Herb's final pay includes \$300 for his untaken rostered days off.

Payment for time off in lieu of overtime

Any time off an employee accumulated instead of being paid as overtime has to be paid out when their employment ends.

Deduction of annual leave taken in advance

If an employee takes leave in advance and their employment ends before they've accrued it all back, the employer can deduct the amount still owing from their final pay.

To find out more about who this award applies to, go to the [Clerks Award summary \(www.fairwork.gov.au/awards-and-agreements/awards/award-summary/ma000002-summary\)](http://www.fairwork.gov.au/awards-and-agreements/awards/award-summary/ma000002-summary).

Source reference: Clerks – Private Sector Award 2010 [MA000002] clauses 25.4(e), 27.5 and 29.4 ☞ (<http://awardviewer.fwo.gov.au/award/show/MA000002>)

Source reference: Fair Work Act 2009 s.90 ☞ (<http://www.comlaw.gov.au/Series/C2009A00028>)

Calculate total money owed

Once you have all the above figures, add up all the money owed.

Our [Help resolving workplace issues \(www.fairwork.gov.au/How-we-will-help/How-we-help-you/Help-resolving-workplace-issues/default\)](http://www.fairwork.gov.au/How-we-will-help/How-we-help-you/Help-resolving-workplace-issues/default) section will give you practical advice on what to do if there's an issue with your final pay.

If you think there is an underpayment, read our [How to fix an underpayment \(www.fairwork.gov.au/how-we-will-help/how-we-help-you/help-resolving-workplace-issues/how-to-fix-an-underpayment\)](http://www.fairwork.gov.au/how-we-will-help/how-we-help-you/help-resolving-workplace-issues/how-to-fix-an-underpayment) page which provides step by step guidance on how to fix it.

If you still can't resolve it, visit our [Working with you to resolve workplace issues \(www.fairwork.gov.au/how-we-will-help/how-we-help-you/help-resolving-workplace-issues/working-with-you-to-resolve-workplace-issues\)](http://www.fairwork.gov.au/how-we-will-help/how-we-help-you/help-resolving-workplace-issues/working-with-you-to-resolve-workplace-issues) page to find out how we can help you.

For information and help with Tax or Superannuation payments during or when ending employment visit the [Australia Tax Office](http://www.ato.gov.au) (<http://www.ato.gov.au>) .

Think a mistake might have been made?

For employees:

If you've lost your job, contact the Fair Work Commission (the Commission) first if you think you were sacked because of:

- [discrimination \(www.fairwork.gov.au/Employee-entitlements/Protections-at-work/protections-from-discrimination-at-work\)](http://www.fairwork.gov.au/Employee-entitlements/Protections-at-work/protections-from-discrimination-at-work)
- a reason that is harsh, unjust or unreasonable
- another protected right.

You have 21 days starting from the day after you were dismissed to lodge an application with the Fair Work Commission. Check the information at the Commission website to find out if you can apply for:

- [unfair dismissal](https://www.fwc.gov.au/termination-of-employment/unfair-dismissal) (<https://www.fwc.gov.au/termination-of-employment/unfair-dismissal>) (not available if you lost your job because of a genuine [Redundancy \(www.fairwork.gov.au/Ending-employment/Redundancy/default\)](http://www.fairwork.gov.au/Ending-employment/Redundancy/default))
- [a general protections dismissal](https://www.fwc.gov.au/termination-employment/general-protections-dismissal) (<https://www.fwc.gov.au/termination-employment/general-protections-dismissal>)
- [unlawful termination](https://www.fwc.gov.au/termination-employment/unlawful-termination) (<https://www.fwc.gov.au/termination-employment/unlawful-termination>) .

If you think you haven't been paid everything you're owed:

- read about [Notice and final pay \(www.fairwork.gov.au/Ending-employment/notice-and-final-pay/default\)](http://www.fairwork.gov.au/Ending-employment/notice-and-final-pay/default) to find out what you should get
- see our [Help resolving workplace issues \(www.fairwork.gov.au/How-we-will-help/How-we-help-you/Help-resolving-workplace-issues/default\)](http://www.fairwork.gov.au/How-we-will-help/How-we-help-you/Help-resolving-workplace-issues/default) section for practical advice on:
 - talking to your employer about fixing your notice and final pay if it's wrong
 - getting help from us if you can't resolve it.

For employers:

- check that the right [Notice and final pay \(www.fairwork.gov.au/Ending-employment/notice-and-final-pay/default\)](http://www.fairwork.gov.au/Ending-employment/notice-and-final-pay/default) has been given
- read our [Help resolving workplace issues \(www.fairwork.gov.au/How-we-will-help/How-we-help-you/Help-resolving-workplace-issues/default\)](http://www.fairwork.gov.au/How-we-will-help/How-we-help-you/Help-resolving-workplace-issues/default) section for practical advice on:
 - talking to fix any problems
 - getting help from us if you still can't resolve it.

What to do next

- Use our [Notice and Redundancy Calculator \(http://calculate.fairwork.gov.au/EndingEmployment\)](http://calculate.fairwork.gov.au/EndingEmployment) to check termination and redundancy entitlements
- Visit our [Annual leave page \(www.fairwork.gov.au/Leave/Annual-leave/payment-for-annual-leave\)](http://www.fairwork.gov.au/Leave/Annual-leave/payment-for-annual-leave) for information on annual leave loading
- Check our [Resignation - how much notice \(www.fairwork.gov.au/Ending-employment/notice-and-final-pay/resignation-how-much-notice\)](http://www.fairwork.gov.au/Ending-employment/notice-and-final-pay/resignation-how-much-notice) page for information on withholding final pay
- Go to the [Department of Human Services website](http://www.humanservices.gov.au/customer/enablers/waiting-periods) (<http://www.humanservices.gov.au/customer/enablers/waiting-periods>) for information about waiting periods that may apply before receiving income support payments

Help for small business

- Use the [Small Business Fair Dismissal Code and checklist \(DOCX 25.5KB\) \(https://www.fairwork.gov.au/ArticleDocuments/715/Small-Business-Fair-Dismissal-Code-2011.docx.aspx\)](https://www.fairwork.gov.au/ArticleDocuments/715/Small-Business-Fair-Dismissal-Code-2011.docx.aspx) (PDF 220.4KB) (<https://www.fairwork.gov.au/ArticleDocuments/715/Small-Business-Fair-Dismissal-Code-2011.pdf.aspx>) to make sure that a dismissal is fair
- Find tools, resources and information you might need on our [Small business page \(www.fairwork.gov.au/Find-help-for/Small-](http://www.fairwork.gov.au/Find-help-for/Small-)

[business/default](#)) .

You might also be interested in

- [Unfair dismissal \(www.fairwork.gov.au/Ending-employment/unfair-dismissal\)](http://www.fairwork.gov.au/Ending-employment/unfair-dismissal)
- [Redundancy \(www.fairwork.gov.au/Ending-employment/Redundancy/default\)](http://www.fairwork.gov.au/Ending-employment/Redundancy/default)

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Contact us

Fair Work Online: www.fairwork.gov.au

Fair Work Infoline: 13 13 94

Need language help?

Contact the Translating and Interpreting Service (TIS) on 13 14 50

Hearing & speech assistance

Call through the National Relay Service (NRS):

For TTY: 13 36 77. Ask for the Fair Work Infoline 13 13 94

Speak & Listen: 1300 555 727. Ask for the Fair Work Infoline 13 13 94

The Fair Work Ombudsman is committed to providing advice that you can rely on. The information contained on this website 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 workplace relations professional. Visitors are warned that this site may inadvertently contain names or pictures of Aboriginal and Torres Strait Islander people who have recently died.