

Payment for annual leave

Annual leave is paid at the employee's current base pay rate for all hours of leave taken, not including extra payments such as:

- overtime rates
- penalties
- allowances
- bonuses.

Awards, enterprise agreements and other registered agreements (www.fairwork.gov.au/Dictionary.aspx?TermID=2034) can set out:

- a different method of payment for annual leave
- that annual leave loading is paid for annual leave.

Find information about payments for annual leave and annual leave loading in your award by selecting from the list below.

Annual leave when employment ends

When employment ends, employers have to pay their employee for any unused annual leave they've accumulated during their employment.

The annual leave payment has to be the same amount that the employee would have received if they'd taken the annual leave during their employment. For example, if an employee would have been entitled to annual leave loading or other payments when they took their annual leave, these loadings and other payments have to be included in the final payment. These payments apply even if an award, registered agreement or employment contract says that they don't.

Find out more about what's included in an employee's Final pay (www.fairwork.gov.au/ending-employment/notice-and-final-pay/final-pay).

Annual leave when sick or injured

If an employee is sick or injured while on annual leave, the employee can use their paid sick or carer's leave entitlement instead of using their annual leave.

The employer can still request the employee provide notice and evidence when taking sick or carer's leave while on annual leave.

An employer can't direct an employee to take annual leave while they're taking sick or carer's leave.

Source reference: Fair Work Act 2009 s.89 (http://www.comlaw.gov.au/Series/C2009A00028)

Think a mistake might have been made?

Mistakes can happen. The best way to fix them usually starts with talking.

Check out our Fixing a workplace problem (www.fairwork.gov.au/workplace-problems/fixing-a-workplace-problem/default) section for practical advice on:

- figuring out if a mistake has been made
- talking to your employer or employee about fixing it
- getting help from us if you can't resolve it.

Help for small business

Find tools, resources and information you might need in our Small business showcase (www.fairwork.gov.au/small-business-showcase/default).

You might also be interested in

- Taking annual leave (www.fairwork.gov.au/leave/annual-leave/taking-annual-leave)
- Cashing out annual leave (www.fairwork.gov.au/Leave/Annual-leave/cashing-out-annual-leave)

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.