# ANNUAL LEAVE POLICY

This template policy is intended to assist member businesses develop their own workplace policy. The following information should be used as a guide only. Any wording changes, other than those to insert a business name, may change the context, meaning or purpose of the policy. We recommend you receive advice from the Victorian Chamber of Commerce and Industry prior to making such changes.

## Contacting the Victorian Chamber of Commerce and Industry

The Victorian Chamber’s team of experienced workplace relations advisors can assist members with a range of employment, human resources and industrial relations issues.

Our experienced workplace relations consultants can also provide assistance to both members and non-members on a range of more complex matters for a fee-for-service. The consultants can, among other things, provide training to employees, conduct investigations and provide representation at proceedings at the Fair Work Commission.

For assistance or more information, please contact the Workplace Relations Advice Line on **(03) 8662 5222.**

Disclaimer

The information contained in this document has been prepared by the Victorian Chamber of Commerce and Industry in this format for the convenience and benefit of its members and is provided as a source of information only. The Victorian Chamber does not accept responsibility for the accuracy of the information or its relevance or applicability in particular circumstances. The information does not constitute, and should not be relied on, as legal or other professional advice about the content and does not reflect the opinion of the Victorian Chamber, its employees or agents. The Victorian Chamber and its employees, officers, authors or agents expressly disclaim all and any liability to any person, whether a member of the Victorian Chamber or not, in respect of any action or decision to act or not act which is taken in reliance, whether partially or wholly, on the information in this communication. Without limiting the generality of this disclaimer, no responsibility or liability is accepted for any losses incurred in contract, tort, negligence, or any other cause of action, or for any consequential or other forms of loss. If you are uncertain about the application of this information in your own circumstances you should obtain specific advice.

# ANNUAL LEAVE POLICY

Date of issue:

Policy approved by:

Contact person:

## 1 PURPOSE

The purpose of this policy is to establish procedures and guidelines for employees who wish to take annual leave.

## 2 APPLICATION

This policy applies to all employees of **[INSERT COMPANY NAME]**, except casual employees.

The policy is not intended to override the terms of any award, enterprise agreement or contract that applies to an employee.

## 3 POLICY

## Eligibility and accrual

Full time employees shall accrue four (4) weeks’ paid annual leave for each year of service. An employee will accrue one (1) additional week’s leave if they are described by a relevant modern award or enterprise agreement as a shiftworker for the purposes of the National Employment Standards.

Part-time employees accrue annual leave on a proportionate basis of the entitlement for a full-time employee.

An employee’s entitlement to annual leave accrues progressively during a year of service according to the employee’s ordinary hours of work.

## Taking annual leave

Employees are expected to take their full annual leave entitlement during the calendar year.

Annual leave will be taken at a mutually agreeable time having regard to the operational requirements of the business and the personal circumstances of the employee. **[INSERT COMPANY NAME]** will not unreasonably refuse an employee’s request for annual leave.

Annual leave must be approved in advance, unless it is in circumstances where the employee cannot anticipate the absence.

**[INSERT COMPANY NAME]** may direct employees to take annual leave during a shutdown over the Christmas and New Year period. Employees will be given at least four (4) weeks’ notice of such a shut down.

## Excessive accumulated leave

**[INSERT COMPANY NAME]** may direct employees to take leave if they have accumulated more than eight (8) weeks annual leave and a direction is allowed for under the relevant industrial instrument. An employee being directed to take leave must be provided with at least eight (8) weeks’ notice in writing.

## Leave in advance of accrued entitlement

Employees may apply for annual leave in advance of accrued entitlement. Such requests will be considered on a case by case basis and at the discretion of **[INSERT COMPANY NAME]**. Approval of leave in advance will be conditional on the employee signing a disclaimer stating that, in the event of termination, they agree that **[INSERT COMPANY NAME]** can deduct the amount equivalent to their negative annual leave balance from their final termination pay. The relevant disclaimer is attached to this policy.

## Rate of pay

Annual leave is paid at the employee’s base rate of pay. A loading of 17.5% will also be payable if required by the relevant industrial instrument.

## Public holidays

If a public holiday falls during a period of annual leave, the holiday will not be counted as annual leave.

## Illness during annual leave

If an employee is sick during a period of annual leave, they may convert annual leave to sick leave if the employee provides a medical certificate to cover the period.

## Payment of annual leave on termination

Accrued annual leave entitlements will be paid out on termination.

## 4 POLICY REVIEW

**[INSERT COMPANY NAME]** may make changes to this policy from time to time to improve the effectiveness of its operation.

WORKPLACE PARTICIPANT ACKNOWLEDGEMENT

## I acknowledge:

##  I have received, read and understood the policy

##  I am required to comply with the policy; and

## There may be disciplinary consequences if I fail to comply, up to and including the termination of my employment.

Name: Signature:

Date:

# ANNUAL LEAVE IN ADVANCE - ACCEPTANCE AND ACKNOWLEDGMENT

# OF DEDUCTION FROM FINAL TERMINATION PAYMENT

Number of annual leave days taken in advance \_\_\_\_\_\_ days

* Current value of leave taken in advance $\_\_\_\_\_\_

(For consent to deduct purposes)

In the event of my leaving **[INSERT COMPANY NAME]** with a negative annual leave balance as a consequence of taking leave in advance, I agree and authorise **[INSERT COMPANY NAME]** to deduct the amount equivalent to the value of the negative annual leave balance (as at the date of termination) from my final termination payment. In the instance where **[INSERT COMPANY NAME]** owes me no outstanding monies upon separation, I agree to pay **[INSERT COMPANY NAME]** this amount in full.