## A guide to calculating annual leave

This guide outlines a process for calculating the number of hours of annual leave an employee has accrued and if the employment is ending, the required annual leave payments. Tables are provided for both full time and part time employees.

Further information is available at www.dmirs.wa.gov.au/annual-leave or by calling Wageline on 1300655266.

## Calculating annual leave for full time employees

Full time employees are entitled to four weeks of annual leave for each year of completed service, up to a maximum of 152 hours per year. Full time employees working a 38 hour week accrue annual leave at the rate of 2.923 hours per completed week of service ( $152 / 52=2.923$ ).
Step 1
Calculate the total number of
hours of annual leave the
employee has accrued
Number of completed weeks of
work
Multiplied by 2.923
Equals total hours of annual
leave accrued
Example:
Employee has worked for
52 weeks
$\times 2.923$
Step 2

| Reduce the total amount of |
| :---: |
| leave accrued by any hours of |
| annual leave the employee has |
| already taken |


| Total hours of annual leave |
| :---: |
| accrued |


| Minus annual leave hours |
| :---: |
| already taken |


| Equals annual leave hours |
| :---: |
| available to be used |


| Example: |
| :---: |
| 152 hours accrued |

-38 hours annual leave taken
$=114$ annual leave hours
available

Only use Step 3 if the employment is ending

## Step 3

Annual leave hours owed Multiplied by current hourly pay rate
Equals annual leave payment when employee resigns, is dismissed or made redundant

## Example:

114 hours annual leave owed
$x \$ 25.00$ hourly rate
$=\$ 2,850$ annual leave payment

If the employee is covered by a WA award, check the relevant WA award summary to determine whether annual leave loading must be paid when an employee takes annual leave and whether loading must be paid when annual leave is paid out when the employee resigns, is dismissed or made redundant.

## Calculating annual leave for part time employees

Part time employees are entitled to four weeks of annual leave per year paid on a pro rata basis according to the number of hours they work. If the part time employee works different hours each week, calculate how much annual leave they are entitled to on a weekly basis.

In this example the employee works the same number of part time hours each week. If a part time employee varies their working hours each week, then the employee will accrue a different amount of annual leave each week. Add together each week to get the total number of accrued annual leave hours.


If the employee is covered by a WA award, check the relevant WA award summary to determine whether annual leave loading must be paid when an employee takes annual leave and whether loading must be paid when annual leave is paid out when an employee resigns, is dismissed or made redundant.

## Record keeping and pay slips

Employers must keep employment records that include all annual leave taken by employees and/or paid out on termination or resignation. Visit the Employment records and pay slips section on the Wageline website for details.

## Disclaimer

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