

Direction to take excessive annual leave

Who can use this template?

Some awards allow an employer to direct employees to take annual leave if they have a significant amount accrued. Generally this applies 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. In most cases this can't result in the employee having less than 6 weeks accrued leave remaining in their balance after the leave is taken.

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.

Need help?

- Complete our short course about having [difficult conversations in the workplace](#) at fairwork.gov.au/learning
- Read our [Consultation and cooperation in the workplace best practice guide](#) at fairwork.gov.au/bestpracticeguides
- Submit an enquiry online through [My account](#) at fairwork.gov.au/register
- Contact our Infoline on 13 13 94

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.

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

Step 1 – Check your award

You can only direct employees to take annual leave if:

- they have an excessive balance accrued (as defined by your award), and
- 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.

[Find your award](https://www.fairwork.gov.au/awards) at [fairwork.gov.au/awards](https://www.fairwork.gov.au/awards)

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 the excessive amount of leave (for example, 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 direction to take annual leave due to an excessive leave balance letter

You must provide the employee with notice that you require them to take annual leave, in line with the requirements of your award. Generally this will be a notice period of at least 8 weeks, but not more than 12 months.

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

! IMPORTANT

Make sure you're using the latest version of this template letter by [downloading the most up-to-date version](https://www.fairwork.gov.au/templates) from [fairwork.gov.au/templates](https://www.fairwork.gov.au/templates)

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 **purple writing** 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 the correct amount of notice required by your award.

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

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TEMPLATE LETTER – Direction to take excessive annual leave

<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 as notification 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>.

[Explanatory information – please delete once you have finished this template]

The conditions listed above are general and may not apply to all awards. Please check your award carefully and update this information if required.

You must provide this letter to your employee within the notice period specified in your award - usually at least 8 weeks before the leave will begin.

Your base rate of pay for your ordinary hours of work will continue to be paid to you throughout the leave period. You <will also/will not> be entitled to annual leave loading for this period.

[Explanatory information – please delete once you have finished this template]

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

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