



Cashing out annual/recreation leave procedure

Version: 2.0 | **Version effective:** 13/01/2021

Audience

Department of Education (the department) employees who have an entitlement to accrue annual/recreation leave.

Purpose

The purpose of this procedure is to set out the process for eligible employees to cash out a portion of their accrued annual/recreation leave balance.

Overview

An employee may apply to cash out a portion of their accrued annual/recreation leave balance instead of taking it as a period of absence. Managers need to balance a number of factors with the employee preferences when considering the application.

Departmental employees who have an entitlement to accrue annual/recreation leave include Senior Executive Service (SES) and Senior Officers (SO), and employees performing SES or SO type roles, for example under an employment contract in accordance with section 122 of the [Public Service Act 2008 \(Qld\)](#).

Cashing out of annual/recreation leave does not apply to teachers except in the circumstances of teachers who accrue annual leave whilst seconded to a public service position and are unable to exhaust this leave prior to returning to their substantive teaching position.

Cashing out of annual/recreation leave does not apply to casual employees.

Responsibilities

Employees

- ensure a leave balance of at least four weeks will remain after cashing out
- when considering applying for cashing out of annual/recreation leave, employees are encouraged to seek independent financial and taxation advice as appropriate, as there may be individual tax and other financial implications
- allow for two pay periods to receive the cash out amount (once approved).

Managers, principals and supervisors

- determine the outcome (approve or reject) of an employee's application for cashing out of annual/recreation leave
- ensure that at least four weeks leave remains after cashing out the requested portion of leave
- consider the employee's health and wellbeing (e.g. fatigue management/leave of absence planning) and conduct a discussion with the employee if there are any concerns.

Process

The process involves three key steps.

1. Application

To apply for a portion of annual/recreation leave to be cashed out, the employee must complete the [Cashing out of annual/recreation leave form](#) (DoE employees only).

The employee is to ensure that a minimum of four weeks for full-time (or equivalent pro rata for part-time employees) annual/recreation will remain after the requested portion of leave has been paid out. The employee can confirm their annual/recreation leave balance through [MyHR Self Service](#) (DoE employees only) or the balance displayed on their most recent payslip. If clarification is required, Payroll Services can be contacted to confirm the current balance.

Prior to submitting an application for cashing out annual/recreation leave, employees are encouraged to consider alternative options, including using their annual/recreation leave balance for the purpose of a period of rest and recreation to maintain an appropriate work-life balance.

The completed Cashing out of annual/recreation leave form is submitted to the Employee's manager (manager, principal or supervisor) for assessment.

2. Assessment

On receipt of an employee's application for cashing out of annual/recreation leave, the manager should review the application and consider all relevant information prior to determining the outcome.

Managers should meet with the employee to understand the individual needs of the employee and give consideration to the impact this may have on the employees' health and wellbeing. This discussion may also cover future plans for the employee taking a period of annual/recreation leave to enable a period of rest from the work environment.

The following requirements for cashing out of annual/recreation leave should be confirmed prior to the application being approved:

- after the requested portion of annual/recreation leave is cashed out, an employee must be left with a minimum balance of four weeks of accrued annual/recreation leave. The minimum balance is calculated on a pro rata basis for part-time employees
- employees may only cash out annual/recreation leave on two occasions within a 12 month period. Requests are to be submitted on separate application forms for each application

- employees relieving in roles in which they would be entitled to cash out their annual/recreation leave, are, in accordance with the [Higher Duties \(Directive 03/18\)](#) eligible to apply to cash out a portion of their annual/recreation leave. If approved, leave would be paid at the higher rate
- employees who do not usually accrue annual/recreation leave as part of their substantive position, and who undertake relieving roles that are entitled to accrue annual leave, and are unable to exhaust this leave before returning to their substantive teaching position, are able to cash out the balance of annual leave remaining. This leave would be paid out at the 'relieving' rate of salary, as if they had accessed the annual leave while performing duties in the relieving position.

The approved Cashing out of annual/recreation leave form is submitted to Payroll Services for processing.

3. Processing

Payment is to be paid to the employee within two pay periods of the application being approved. In the situation where this timeframe is not achievable, Payroll Services should provide the employee and manager with the expected date of payment.

Definitions

Term	Definition
Annual/recreation leave	Annual leave (also known as recreation leave) allows an employee to be paid while having time off from work. Annual leave is an entitlement under the Queensland Employment Standards (QES) .
Pro rata	Is defined as a proportion to something. A pro rata amount is calculated according to, or as a share of, the fixed rate for a larger total amount.

Legislation

- [Industrial Relations Act 2016 \(Qld\)](#)
- [Public Service Act 2008 \(Qld\)](#)
- [General Employees \(Queensland Government Departments\) and Other Employees Award – State 2015](#)
- [Department of Education Teacher Aides' Certified Agreement 2018](#)
- [Department of Education Cleaners' Certified Agreement 2018](#)
- [Queensland Public Service Officers and Other Employees Award – State 2015](#)
- [Department of Education Certified Agreement 2019](#)
- [Teaching in State Education Award – State 2016](#)
- [Department of Education State School Teachers' Certified Agreement 2019](#)
- [Recreation Leave \(Directive 04/17\)](#)
- [Higher Duties \(03/18\)](#)

Delegations/Authorisations

- [Human Resources Delegations Manual](#) (DoE employees only)

Policies and procedures in this group

- [Leave policy](#)
- [Employee leave procedure](#)
- [Parental leave procedure](#)
- [Purchased leave and deferred salary scheme procedure](#)

Supporting information for this procedure

- Nil

Other resources

- [Cashing out of annual/recreation leave form](#) (DoE employees only)
- [Office of Industrial Relations, Public Sector Industrial Relations – Cashing Out Annual Leave \(Circular 02/17\)](#)
- [Office of Industrial Relations, Public Sector Industrial Relations – Cashing Out Annual Leave – Guidance Note](#)

Contact

For further information, please contact:

Employee Relations – Human Resources

Email: EmployeeRelations.HUMANRES@qed.qld.gov.au

Review date

13/01/2024

Superseded versions

Previous seven years shown. Minor version updates not included.

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