

# Leave Accrued Adjustment During JobKeeper Scheme

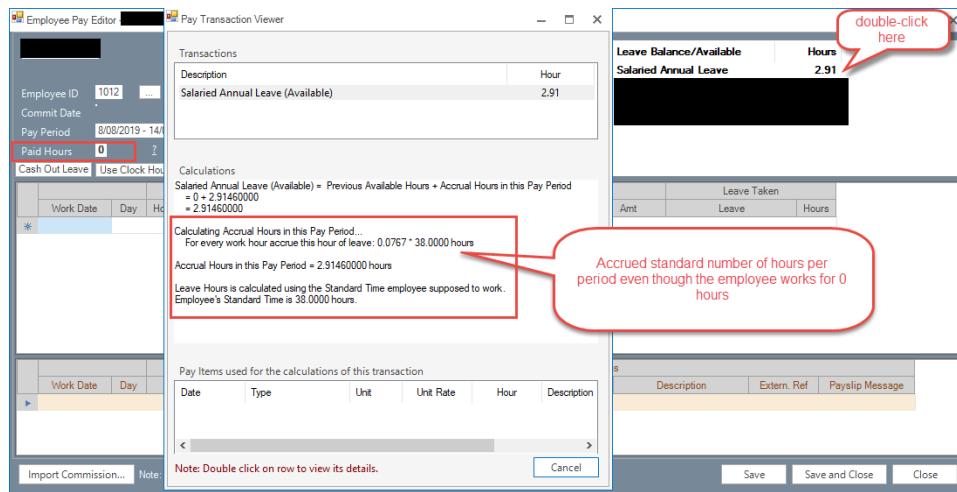
- 1 Understand the difference between standard and work-time leave type
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- 3 What should I do if my employees are back to standard work hour?
- 4 What should I do if I decide to terminate my employees while they are working with reduced hours?

If you choose to reduce the number of work hours for some of the employees and decide to adjust the leave accrue accordingly, here are some of important notes and steps to help you along the way.

## ◦ Understand the difference between standard and work-time leave type

### ▪ Standard Leave Type

- This is the default leave type to use for all salaried employees. For a salaried employees, during a normal circumstance, they will be accrued a certain number of leave hours as long as they are in the payrun.  
In the following example, even you reduce the number of paid hour to 0, the accrued leave hour is still 20 days per year (work out to 0.0767 per work hour if that employee works 38 hours per week)



### ▪ Work-time Leave Type

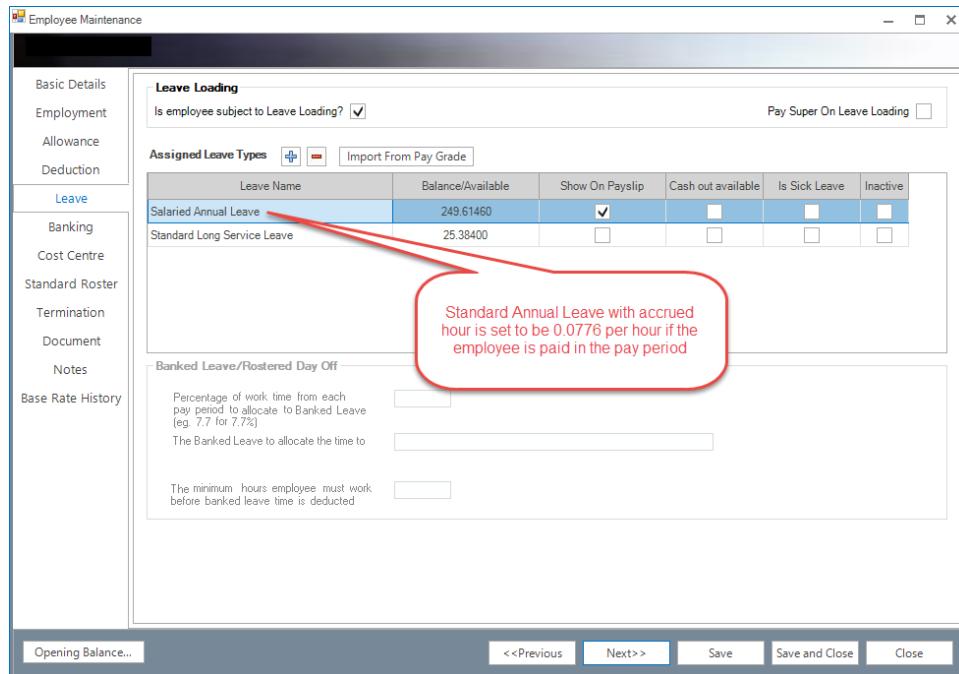
- This is the default leave type to use for all wages employees. The accrued leave hour will only calculated by their work hour.

The following example is showing what happens if the employee did not work for the pay period, he/she will not accrue any leave hour.

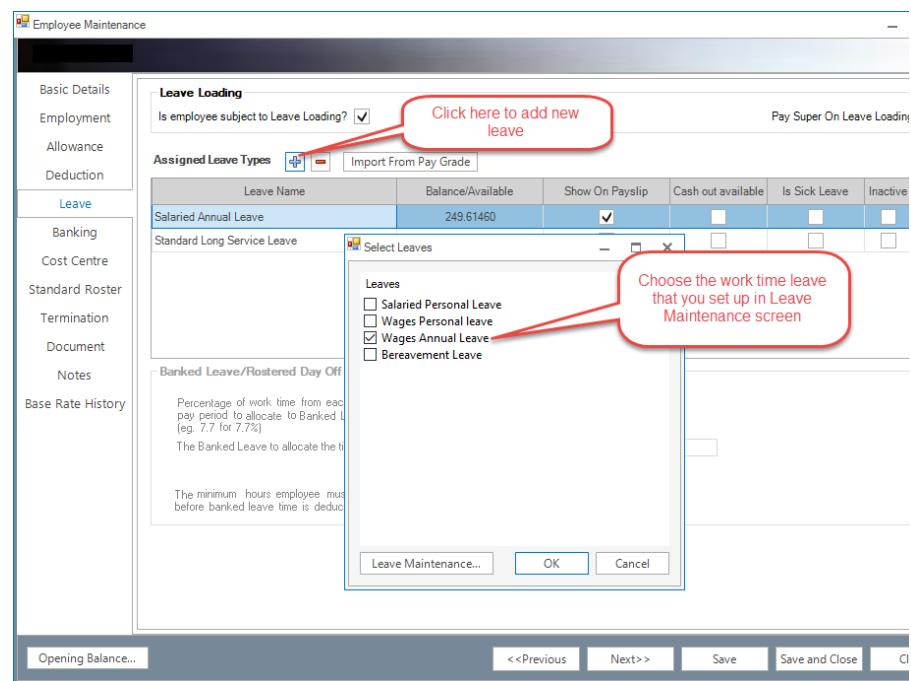
The screenshot shows the 'Pay Transaction Viewer' window with the title 'Transactions'. It displays a table with one row: 'Wages Annual Leave (Available)' with a value of '346.77'. Below this, under 'Calculations', it shows the formula:  $\text{Wages Annual Leave (Available)} = \text{Previous Available Hours} + \text{Accrual Hours in this Pay Period}$ , followed by the steps:  $= 346.77400 + 0$  and  $= 346.77400$ . A note below states: 'Calculating Accrual Hours in this Pay Period... For every work hour accrue this hour of leave: 0.0767 \* 0 hours'. A red callout box points from this note to a red box around the text 'Accrual Hours in this Pay Period = 0 hours'. Another red callout box contains the text: 'Worktime leave will accrue 0 hours if the employee doesn't work in the pay period'. At the bottom, there is a table titled 'Pay Items used for the calculations of this transaction' with columns: Date, Type, Unit, Unit Rate, Hour, and Description. A note at the bottom left says 'Note: Double click on row to view its details.' and a 'Cancel' button is on the right.

### o How to temporarily reduce the leave accrue in case the work hours is reduced?

- In normal circumstance, reducing the work hour of salaried employees will be against FairWork rule. However, with the current crisis, FairWork has relaxed some rules regarding JobKeeper scheme.  
More information can be found here: <https://coronavirus.fairwork.gov.au/coronavirus-and-australian-workplace-laws/flexibility-in-workplace-laws-during-coronavirus/jobkeeper-changes-to-the-fair-work-act>.
- If you choose to reduce the work hour of your employees and wish to reduce their accrued leave hours during the time, here are the process to help you to achieve just that:
  - For a **salaried employee**, here is a very basic set up as an example:



- If you pay with reduced hours for that employee, the normal accrued hour will apply. To reduce the accrued hours based on the work hour you given them, you will need to add a work time leave for them.
  - **Option1:** Using temporary work time leave to keep track of leave accrued using reduced hour for JopKeeper scheme:
    - Step 1: Add work time leave using employee maintenance screen before paying the employee in Payrun screen



2. Change the added leave with recommended settings (you can choose your own setting if you wish)

Employee Maintenance

**Leave Loading**

Is employee subject to Leave Loading?

**Assigned Leave Type**

Leave Name	Balance/Available	Show On Payslip	Cash out available	Is Sick Leave	Inactive
Salaried Annual Leave	249.61460	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Wages Annual Leave	0.00000	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Standard Long Service Leave	25.38400	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Banked Leave/Rostered Day Off**

Percentage of work time from each pay period to allocate to Banked Leave [eg. 7.7 for 7.7%]

The Banked Leave to allocate the time to

The minimum hours employee must work before banked leave time is deducted

Opening Balance... <<Previous Next>> Save Save and Close Cancel

- When you pay the employee in the payrun, make sure to double-check their leave accrual in PayEditor screen

Employee Pay Editor - D

Employee ID: 1012 Commit Date: 15/08/2019 Pay Period: 15/08/2019 Paid Hours: 20 Cash Out Leave: Use C

Work Date: 15/08/2019

Only work for 20 hours

Transactions

Description	Hour
Salaried Annual Leave (Available)	249.61

Calculations

$$\text{Salaried Annual Leave (Available)} = \text{Previous Available Hours} + \text{Accrual Hours in this Pay Period}$$

$$= 249.61460 + 0$$

$$= 249.61460$$

The old, inactive leave will not accrue hours anymore

Pay Items used for the calculations of this transaction

Date	Type	Unit	Unit Rate	Hour	Description
<					
>					

Note: Double click on row to view its details. Cancel

Leave Balance/Available Hours

Leave Type	Leave Balance/Available	Hours
Salaried Annual Leave	249.61	
Wages Annual Leave	1.53	
Standard Long Service Leave	26.02	

Leave Taken

Amt	Leave	Hours

On/Bonus

Leave Type	Description	Extern. Ref	Payslip Message
Punters Club			
Social Club			

Save Save and Close

Employee Pay Editor - D

Employee ID: 1012 Commit Date: 15/08/2019 Pay Period: 15/08/2019 Paid Hours: 20 Cash Out Leave: Use C

Work Date: 15/08/2019

Only work for 20 hours

Transactions

Description	Hour
Wages Annual Leave (Available)	1.53

Calculations

$$\text{Wages Annual Leave (Available)} = \text{Previous Available Hours} + \text{Accrual Hours in this Pay Period}$$

$$= 0.0000 + 1.5340$$

$$= 1.5340$$

Calculating Accrual Hours in the Pay Period...  
For every work hour accrue this hour of leave: 0.0767 \* 20 hours  
Accrual Hours in this Pay Period = 1.5340 hours  
Leave Hours is calculated using worked time.  
The time employee actually worked was 20 hours.

Pay Items used for the calculations of this transaction

Date	Type	Unit	Unit Rate	Hour	Description
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Note: Double click on row to view its details. Cancel

Leave Balance/Available Hours

Leave Type	Leave Balance/Available	Hours
Salaried Annual Leave	249.61	
Wages Annual Leave	1.53	
Standard Long Service Leave	26.02	

Leave Taken

Amt	Leave	Hours

On/Bonus

Leave Type	Description	Extern. Ref	Payslip Message
Punters Club			
Social Club			

Save Save and Close

4. The payslip will display as the following with both leaves appearing:

Earnings		Deductions	
Salary/Wage	\$533.16	PAYG Tax	\$80.00
Overtime Gross	\$0.00	HELP Tax	\$0.00
Public Holiday Gross	\$0.00	Personal Super Contribution	\$0.00
Leave Loading Gross	\$0.00	Deductions	\$0.00
Allowances (Part of PAYG Gross)	\$0.00	Deductions (SalarySacrifice)	\$0.00
Allowances	\$0.00	Total Deductions	<u><u>\$80.00</u></u>
Commission	\$0.00	Compulsory Super	
<b>Total Gross</b>	<b>\$533.16</b>	Compulsory Super	\$50.65
Less Total Deductions	\$80.00		
<b>Net Pay</b>	<b>\$453.16</b>		

Salary / Wage details for this pay period:						
Date	Day	Description	Hours	Rate	Amount	
15/08/19	Thu	Normal Wage on Hourly Rate	20	26.66	\$533.16	

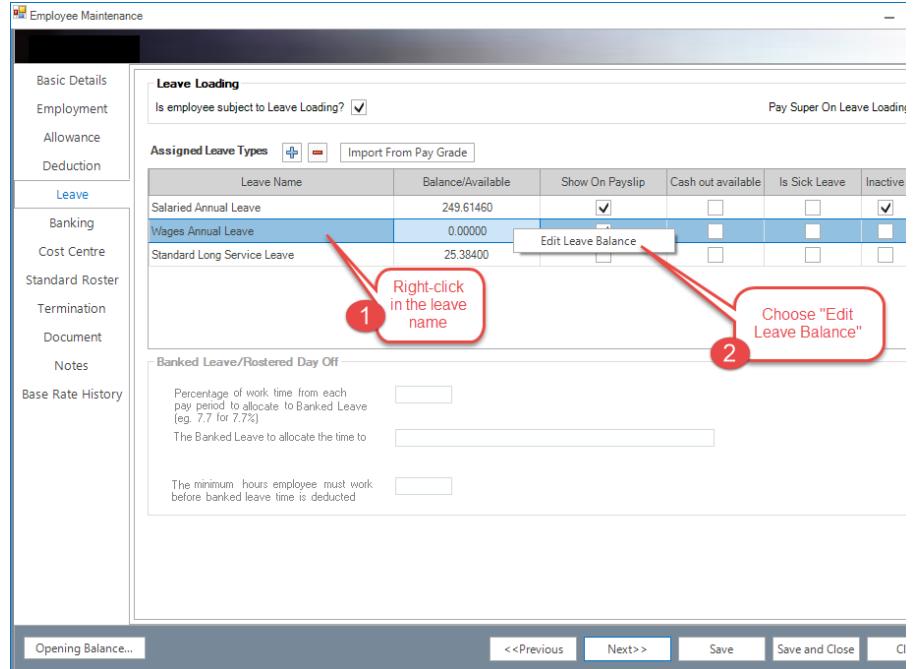
  

Year-To-Date		Leave Balance/Available (in hours)	
Gross (incl. allowances & commissions)	\$7,624.16	Salaried Annual Leave	249.61
Less Personal Super Contribution	\$0.00	Wages Annual Leave	1.53
Less Tax (Including HELPTax)	\$1,144.00		
Less Deduction(s)	\$161.00		
<b>Net</b>	<b>\$6,319.16</b>		

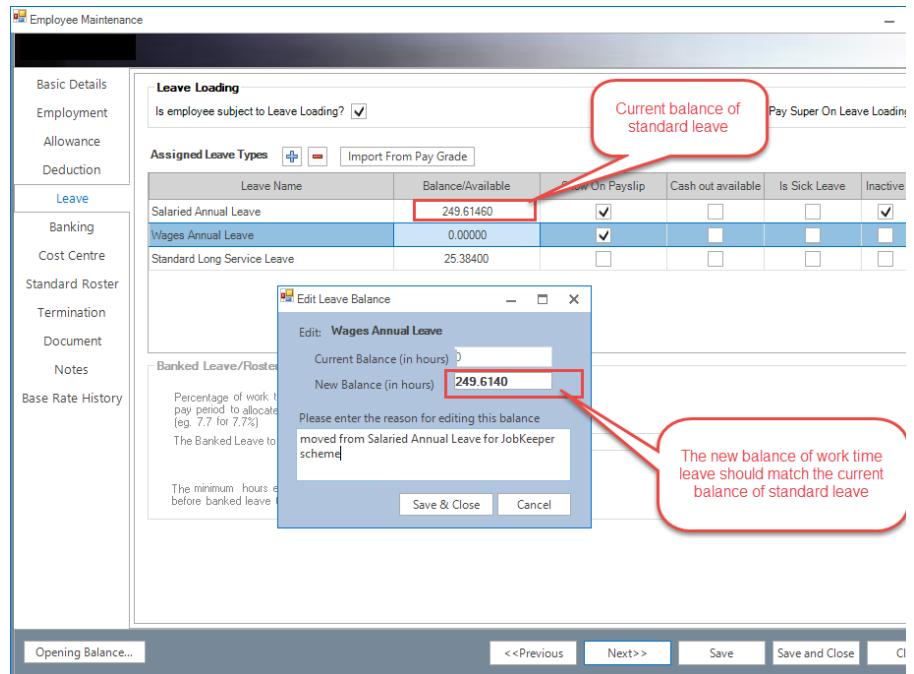
  

Year-To-Date Details			
Compulsory Super	\$724.33	Personal Contribution Super	\$0.00
Compulsory Super(Paid)	\$0.00	Personal Contribution Super(Paid)	\$0.00
Allowances (Part of PAYG Gross)	\$0.00	HELP Tax	\$0.00
Allowances	\$0.00	Deductions	\$161.00
Commissions	\$0.00	Deductions (SalarySacrifice)	\$0.00

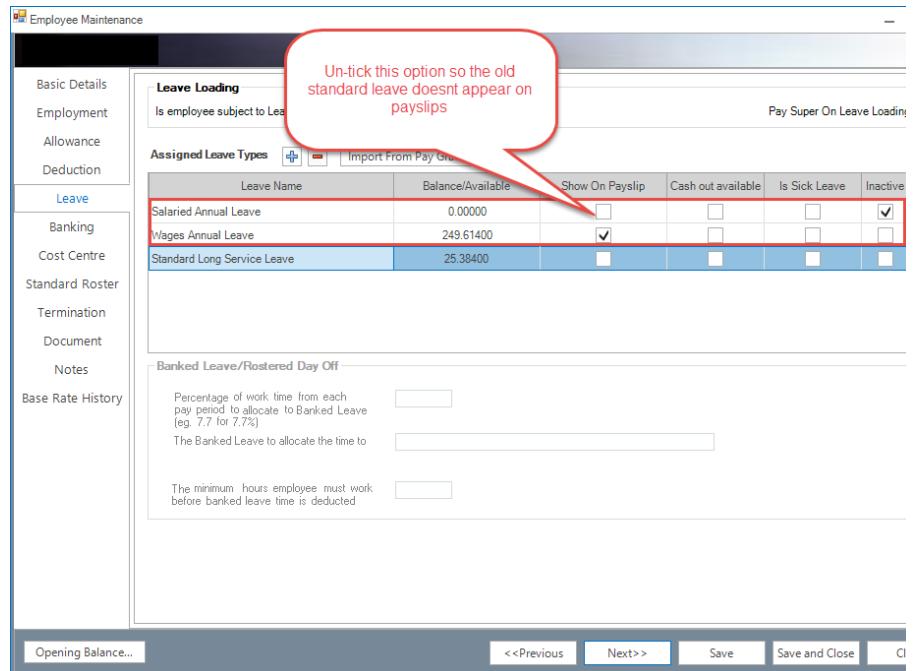
- **Option 2:** In case that you want to use only work time leave from now on, you need to do a few things before paying employees (un-pay them if they are paid in the current payrun)
  1. Repeat step 1 and 2 of the option1 if you havent already done.
  2. Move the balance of the stand leave to the work time leave by editing leave balance in employee maintenance screen. Change the work-time leave balance to be the exact amount of standard leave:



The screenshot shows the 'Employee Maintenance' window. On the left, a sidebar lists various tabs: Basic Details, Employment, Allowance, Deduction, Leave (which is selected), Banking, Cost Centre, Standard Roster, Termination, Document, Notes, and Base Rate History. The main area is titled 'Leave Loading' and contains a checkbox 'Is employee subject to Leave Loading?'. Below it is a section for 'Assigned Leave Types' with a grid. The grid has columns: Leave Name, Balance/Available, Show On Payslip, Cash out available, Is Sick Leave, and Inactive. Three rows are visible: 'Salaried Annual Leave' (balance 249.61460), 'Wages Annual Leave' (balance 0.00000), and 'Standard Long Service Leave' (balance 25.38400). A context menu is open over the 'Wages Annual Leave' row, with the 'Edit Leave Balance' option highlighted. Two red callouts with numbers 1 and 2 point to this menu item. Callout 1 points to the text 'Right-click in the leave name'. Callout 2 points to the text 'Choose "Edit Leave Balance"'.



3. The final screen after moving leave balance should be:



4. After you pay the employees with reduced hours, the payslip will only display the new work time leave.

Earnings		Deductions	
Salary/Wage	\$533.16	PAYG Tax	\$80.00
Overtime Gross	\$0.00	HELP Tax	\$0.00
Public Holiday Gross	\$0.00	Personal Super Contribution	\$0.00
Leave Loading Gross	\$0.00	Deductions	\$0.00
Allowances (Part of PAYG Gross)	\$0.00	Deductions (SalarySacrifice)	\$0.00
Allowances	\$0.00		
Commission	\$0.00		
<b>Total Gross</b>	<b>\$533.16</b>	<b>Total Deductions</b>	<b>\$80.00</b>
Less Total Deductions	\$80.00	Compulsory Super	
<b>Net Pay</b>	<b>\$453.16</b>	Compulsory Super	<b>\$50.65</b>

Salary / Wage details for this pay period:						
Date	Day	Description	Hours	Rate	Amount	
16/08/19	Fri	Normal Wage on Hourly Rate	20	26.66	\$533.16	
Year-To-Date						
					Leave Balance/Available (in hours)	
Gross (incl. allowances & commissions)		\$7,624.16			Wages Annual Leave	251.1
Less Personal Super Contribution		\$0.00				
Less Tax (including HELP tax)		\$1,144.00				
Less Deduction(s)		\$161.00				
<b>Net</b>		<b>\$6,319.16</b>				
Year-To-Date Details						
Compulsory Super		\$724.33	Personal Contribution Super		\$0.00	
Compulsory Super(Paid)		\$0.00	Personal Contribution Super (Paid)		\$0.00	
Allowances (Part of PAYG Gross)		\$0.00	HELP Tax		\$0.00	
Allowances		\$0.00	Deductions		\$161.00	
Commissions		\$0.00	Deductions (SalarySacrifice)		\$0.00	

5. Note: you can not delete the old standard leave in this payrun. However, you can delete the old standard leave out of the employee maintenance after the payrun has been committed if you wish.

- **What should I do if my employees are back to standard work hour?**
  - If you use Option 1, you can just move the balance of the work time leave to standard leave and change the balance of work time leave to be 0. Everything will be back as it was before JobKeeper.
  - If you use Option 2, you will need to add the standard leave back (if you deleted it) and move the balance from work time to standard leave.
- **What should I do if I decide to terminate my employees while they are working with reduced hours?**
  - For option 1, you will need to combine the balance of 2 leaves to 1 and pay that out during the termination process.
  - For option 2, you can use the current balance when paying out leave during the process the termination.