Policy – Unpaid Leave

Purpose & Scope

[Company] has made available leave without pay as an option available to staff for approved purposes in accordance with the provisions of this policy.

This policy clarifies the ‘appropriate purposes’ for which leave without pay may be granted, including the maximum duration and frequency of leave without pay which may be approved. The policy also sets out the arrangements applying to superannuation contributions when a staff member takes approved leave without pay.

Application of Policy

This policy shall apply to any form of leave without pay, including any personal (e.g. sick) leave without pay, approved by the [Company], but does not apply to unpaid leave associated with parental leave.

Approval

If a staff member wishes to apply for leave without pay, they are to utilise normal leave application processes. Details regarding the reasons for application should be included.

In the event that an employee wishes to make a variation or extension to an approved period of leave without pay, they must submit a written application for approval by the CEO/Managing Director.

Limitations

The maximum single continuous period of leave without pay that will normally be approved is xxxx.

In order to be considered for Unpaid Leave, the employee must not have any accrued annual or long service leave available to them. If there are any accruals, these must be fully utilised in the first instance. In the event that the unpaid leave is to be used as an extension of paid Personal Leave, all paid Personal Leave must also be exhausted.

Prior to being considered for unpaid leave, the employee will have served at least xx years with the [Company] before being granted leave without pay for a period of x months or more, whether continuous or aggregated, in any year. This may be reviewed in the event of extenuating circumstances.

Notice Requirements

Any application for unpaid leave, except unpaid parental leave, with the exception of extenuating circumstances, is required to provide the [Company] with the following notice:

|  |  |
| --- | --- |
| Period of leave without pay | Minimum notice required |
| Between 1 day and 2 weeks | 2 weeks |
| More than 2 weeks and less than 3 months | 3 months |
| More than 3 months | 6 months |

Where leave without pay is approved in conjunction with another form of leave, for example, Long Service or Parental Leave, greater notice may be required.

If an employee has been granted leave without pay for sick leave purposes, written medical confirmation that the staff member is fit to return to work is required. Refer to the Return to Work Policy for guidance.

Superannuation Contributions

Both Employer and Employee superannuation contributions automatically cease for any period of leave without pay.

The employee has the option to make ongoing superannuation contributions if they choose. This is to be negotiated directly with the superannuation fund.

Other Employment

An employee wishing to undertake paid employment outside [Company] during a period of approved unpaid leave must obtain prior written approval from the CEO/Managing Director. In the event that this is approved, it must not interfere with the staff member’s substantive duties, nor be in competition with [Company].

Any alternative employment during this period must also be consistent with the [Company]’s Mission and Values.

Approvals & review

|  |  |
| --- | --- |
| Policy review date: |  |
| Policy approved by title: |  |
| Policy approved by signature: |  |