Insurance and Care NSW

## Pre-injury average weekly earnings fact sheet: Unpaid leave

## Overview

This fact sheet provides guidance as to when a worker's relevant earning period should be adjusted to exclude extended periods of unpaid leave in the 52 weeks before the injury.

NOTE: This fact sheet only applies to workers injured on or after 21 October 2019 and does not apply to exempt workers.

## When to adjust the relevant earning period

A worker's relevant earning period should be adjusted if during any period of seven or more consecutive calendar days within the relevant earning period the worker did not receive earnings due to having taken a period of unpaid leave.

The period is defined from the first day of unpaid leave and ends on the day before the worker returns to work or to a day of paid leave.

The period is excluded only if:

- the period is equal to or greater than seven consecutive calendar days, and
- contains no days on which the worker received earnings from the employment from which the unpaid leave was taken.


## Example

Lukah works as an executive assistant three days per week (Tuesday, Thursday and Friday). He commenced employment on 23 April 2018 and sustained a work-related injury on 4 March 2020. From Thursday, 6 February to Friday, 21 February 2020 he took three weeks of leave, which included three days of paid sick leave and five days of unpaid leave.

For the purposes of adjusting the relevant earning period, the consecutive period commences from the first day he took unpaid leave (Thursday, 13 February) and ends on the day before he resumed work (Monday, 24 February), as highlighted on the calendar below. The period is 12 days (or 1.7 weeks) and therefore is excluded from the relevant earning period, as it is greater than seven consecutive calendar days.


## Other useful information

- PIAWE fact sheet: PIAWE overview
- PIAWE fact sheet: Agreements
- PIAWE fact sheet: Relevant earning period
- PIAWE fact sheet: Concurrent employment
- PIAWE fact sheet: Non-monetary benefits
- PIAWE fact sheet: Apprentices, trainees and young people
- PIAWE fact sheet: Indexation
- PIAWE fact sheet: Alignment to pay cycle
- PIAWE fact sheet: Change in earning circumstances
- PIAWE fact sheet: Short-term workers
- SIRA's Workers Compensation Guidelines
- SIRA's Claims Management Guide


## Further assistance

For help with calculating PIAWE, please contact your agent or icare.

