

## Relevant Daily Pay

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Relevant daily pay means the amount of pay that the employee would have received had the employee worked on the day concerned and includes:

- Productivity or incentive-based payments (including commission) if those payments would have otherwise been received on the day concerned
- Payments for overtime if those payments would have otherwise been received on the day concerned
- The cash value of any board or lodgings provided by the employer to the employee.

It excludes any payment of any employer contribution to a superannuation scheme for the benefit of the employee.

If it is not possible or practicable to determine the employee's Relevant Daily Pay or the employee's daily pay varies within the pay period when the holiday or leave falls, the employee's Average Daily Pay may be used.

The average daily pay is defined as "the employee's gross earnings for the 52 weeks before the end of the pay period immediately before the calculation is made, divided by the number of whole or part days during which the employee earned those earnings, including any day on which the employee was on paid leave, but excluding any day on which the employee did not actually work".

### **Note: Payment for working on a public holiday**

In the case of determining what an employee should be paid for actually working on a public holiday, the Average Daily Pay option can only be used if the employee's pay varies from day to day during the pay period.

Even then the Average Daily Pay calculation must be compared with the Relevant Daily Pay calculation. The employee is entitled to the *higher* of:

- The appropriate portion of the employee's Average Daily Pay (less any penal rates) plus half that amount again, and
- The appropriate portion of the employee's Relevant Daily Pay (including any penal rates).