

## **Annual Leave Act (1977:480)**

Amendments: up to and including 2007:392

**Section 1** An employee is entitled to annual leave benefits in accordance with this Act. Such benefits are annual leave, holiday pay and compensation in lieu of annual leave.

**Section 2** An agreement shall be invalid to the extent that it revokes or restricts an employee's rights under this Act. However, this shall not apply if this Act provides otherwise.

Deviations from Sections 3, 9, 11, 16, 22, 23, 26, 29 and 30 may be made under a collective bargaining agreement that has been concluded or approved by an organisation which is deemed to be a central employees' organisation under the Employment (Co-Determination in the Workplace) Act (1976:580). An employer who is bound by such a collective bargaining agreement, by a collective bargaining agreement relating to matters referred to in Section 5, second paragraph, or by a collective bargaining agreement relating to deviations from Section 12, 19, 20 or 21, may in such respects also apply the agreement to employees who are not members of the employees' organisation which is a party to the agreement, provided that the employee is engaged in work that is referred to in the agreement and is not subject to any other applicable collective bargaining agreement.

**Section 3** The expression "annual leave year" means the period from and including 1 April of one year up to and including 31 March of the following year. The corresponding period immediately preceding an annual leave year is referred to as the "qualifying year".

Any annual leave consisting of individual days of annual leave, or of a period which consists of days of annual leave taken together with free days as referred to in Section 9, and which begins and ends with a day of annual leave, shall be considered as annual leave.

### **Entitlement to annual leave and holiday pay**

**Section 4** An employee shall be entitled to twenty-five days of annual leave in every annual leave year, except in the cases referred to in Sections 5 and 27.

While on annual leave, an employee shall receive holiday pay to the extent that he has qualified for such pay during the qualifying year.

An employee may waive his entitlement to annual leave which is not combined with holiday pay. (SFS 1992:1329)

**Section 5** An employee shall, where his employment commenced after 31 August, be entitled to five days of annual leave during the annual leave year in which the employment commenced.

Where an employee is employed for work that is intended to last for not more than three months and to involve not more than sixty hours, and provided the work does not exceed that time, he shall not be entitled to annual leave. Where an employee is recruited in other cases for a limited period of time it may be agreed that he will not be entitled to annual leave. The foregoing shall not apply if the employment agreement relates to a period exceeding three months, or where his employment exceeds that period. Where an employee is not entitled to annual leave in the circumstances covered by this paragraph he shall be entitled to compensation in lieu of annual leave in respect of the period for which he works in the employer's service.

Where an employee is entitled to compensation in lieu of annual leave under the second paragraph, his remuneration for work that is intended to last for not more than three months and to involve not more than sixty hours shall be deemed to include compensation in lieu of annual leave, unless the contrary is evident from the circumstances.

The Extended Annual Leave (Radiological Workers) Act (1963:115) contains rules concerning extended annual leave. SFS (2007:392)

**Section 6** An employee who changes his job shall be entitled to annual leave in his new job only to the extent that he has not already taken such leave.

**Section 7** An employee shall be granted such number of days of annual leave with pay under Section 4, as corresponds to the proportion of the qualifying year for which he has worked in the employer's service. A working day on which an employee has been absent without pay shall be included in the calculation of the period of employment only where his absence was due to annual leave, lay offs or absence which, under Section 17, affords an entitlement to holiday pay.

For the purposes of calculations under the first paragraph, the proportion of the qualifying year shall be expressed as a number of days. Where the calculation of the number of days of annual leave with pay results in a fraction, it shall be rounded up to the nearest whole number.

Unless otherwise agreed, days of annual leave with pay shall be taken first for a given annual leave year.

**Section 8** An employee is subject to an obligation, if so requested, to inform his employer of the extent to which he wishes to take annual leave without holiday pay, or to waive his entitlement to such leave. This information need not be provided before the employee has been told how many days of annual leave without pay he is entitled to or can be estimated to be entitled to.

Where annual leave without pay has been approved on the basis of an employee's decision under the first paragraph, the employee may not subsequently decline to take the leave except in those cases referred to in Section 13.

### **Calculation of annual leave**

**Section 9** Annual leave shall be calculated in whole days. Saturdays and Sundays shall not be counted as days of annual leave except in cases covered by the third paragraph of this Section.

In the case of annual leave that covers at least five days, an employee who is employed on a Saturday or Sunday, or both, shall be entitled to time off corresponding to the time of the weekend both during his annual leave and either immediately prior thereto or immediately after. Where annual leave covers at least 19 days, an employee shall be entitled to time off corresponding to the length of the weekend both immediately before and immediately after such annual leave, unless special reasons give cause to do otherwise. Where, in cases covered by this paragraph, an employee has time off of a corresponding duration on a day of the week which is not a Saturday or a Sunday, and this occurs during the period of annual leave, that day shall be counted as a day of annual leave.

If the employee is free on a Saturday or Sunday, which would otherwise have been a working day, and his period of annual leave is shorter than that specified in the second paragraph of this Section, that day shall be counted as a day of annual leave. A free day shall not be regarded as a day of annual leave.

Public holidays and Easter Eve, Whitsun Eve, Midsummer's Eve, Christmas Eve and New Year's Eve shall be treated in the same manner as Sundays.

### **Fixing annual leave dates**

**Section 10** The parties to a collective bargaining agreement relating to pay and general conditions of employment should, if the employee-party so requests, also conclude a collective bargaining agreement relating to the employees' rights to co-determination in matters relating to the scheduling of annual leave dates. The provisions of the second and third paragraphs of this Section shall apply with respect to employees for whom no such agreement has been concluded.

The provisions of the Employment (Co-Determination in the Workplace) Act (1976:580) relating to the employer's obligation to negotiate any important changes in the working conditions or conditions of employment of his employees shall apply, *mutatis mutandis*, for the purpose of fixing the dates of annual leave referred to in Section 12. Where the employees are not represented by an employees' organisation which is authorised to negotiate or where any such employees' organisation is not willing to negotiate, the employer shall consult the employees with respect to the fixing of their annual leave dates.

The employer shall consult the employees with respect to the fixing of other annual leave dates if negotiations with the employees' organisation have not taken place.

Where no agreement can be reached with respect to the fixing of the annual leave dates, the employer shall determine how those dates are to be fixed, to the extent that there is no agreement to the contrary.

**Section 11** Where a decision concerning the fixing of annual leave dates has been taken other than by agreement with the employee or his representatives, the employer shall

notify the employee of the decision. Notification shall be given at least two months prior to the commencement of leave. Notification may be given at a later time if there are special reasons but, if possible, at least one month prior to the commencement of leave.

**Section 12** In the absence of agreement to the contrary, annual leave dates shall be so fixed that the employees have at least four weeks' annual leave during the period June to August. The leave period may be fixed for some other time, even in the absence of agreement, if there are special reasons.

**Section 13** Where the employer decides to lay off an employee and the employee had no reason to expect that he would be laid off when he communicated his decision pursuant Section 8, the employee shall be entitled to decline from taking any approved annual leave without pay to the extent that it coincides with the period of the lay off. The foregoing shall only apply if the employee informs the employer at least two weeks before the commencement of annual leave. Where the employee is not informed of the lay off until a later time, he shall be entitled to decline from taking the leave by giving immediate notice to that effect to the employer. Where the annual leave has already commenced, it shall cease upon expiry of the day on which the employer was so informed.

**Section 14** Annual leave dates shall not, except with the employee's consent, be fixed to coincide with a period of notice of termination.

In the event that the period of notice, if notice of termination is issued by the employer, would coincide either wholly or in part with a period of annual leave for which approval has already been given and the termination is due to circumstances not attributable to the employee personally, the annual leave dates shall to that extent be cancelled, if the employee so requests.

The first and second paragraphs of this Section shall not apply insofar as the period of notice of termination exceeds six months.

**Section 15** Where a day on which an employee is unfit for work on account of sickness, or a day that is credited for purposes of holiday pay under Section 17, first paragraph, items 2 to 7, falls during a period of annual leave, that day shall not be counted as a day of annual leave provided the employee makes a requests to that effect without delay.

Days of annual leave that remain to be taken as a consequence of application of the first paragraph of this Section shall be granted consecutively, unless the employee otherwise agrees. (SFS 1994:2079)

### **Calculation of holiday pay**

**Section 16** An employee's holiday pay shall amount to 12 per cent of the pay he has earned in his employment during the qualifying year.

For the purposes of calculating an employee's pay during a qualifying year, the total amount received by way of pay shall not include any holiday pay other than that referred to in Section 22, or any pay received in respect of a lay off connected with the closure of the undertaking effected for the purposes of enabling the employees to take their annual

leave simultaneously. The total amount received by way of pay shall likewise not include any compensation paid in respect of any day or part of a day of absence from work that is credited for purposes of holiday pay under Section 17. The income earned by the employee in respect of any such day shall instead be increased by an amount corresponding to his average daily income from employment over the remainder of the qualifying year. Where the employee has not then received any income from employment, his holiday pay shall be calculated by reference to the income that it may be assumed that he would have received if he had worked for the employer during that period. (SFS 1992:1329)

**Section 17** Absence from work shall be credited for purpose of holiday pay in the following circumstances:

1. absence on account of sickness, to the extent that it does not exceed 180 days during the course of the qualifying year or if the absence is attributable to an occupational injury;
2. absence in accordance with the Parental Leave Act (1995:584), either for the period for which a parental cash benefit is payable under Chapter 3, Section 9 of the National Insurance Act (1962:381), or for the period during which parental cash benefit is paid as a result of the birth of a child or adoption under Chapter 4, Sections 3 and 5 of that Act, to the extent that the absence does not exceed 120 days for each child or for the birth of several children or, for a single parent, 180 days, or for the period for which a parental cash benefit is payable in respect of the temporary care of a child under Chapter 4, Sections 10, 10a, 10 b to the extent the absence during the year which the parental cash benefit is earned not exceeds 120 days or for single parents 180 days, 11 and 11a of that Act;
3. absence on account of a risk of contracting a contagious disease, if the employee is entitled to compensation under the Contagious Diseases Compensation Act (1989:225), to the extent that the absence does not exceed 180 days during the course of the qualifying year;
4. educational leave that does not confer a right to holiday pay under any other Act, provided the employee receives compensation to participants in sign-language training for certain parents (TUFF), or if the education, to a significant extent, relates to trade union matters or matters connected with trade union activity, to the extent that the absence does not exceed 180 days during the course of the qualifying year;
5. absence on account of basic training performed for not more than 60 days or refresher training under the National Defence Service Act (1994:1809), to the extent that the absence does not exceed 60 days during the course of the qualifying year; or
6. absence under the Swedish Language Education Act (1986:163), or
7. absence under the Leave Compensation and Leave for Care of Relatives Act (1988:1465), to the extent that the absence does not exceed 45 days during the course of the qualifying year.

If the employee, for reasons set forth in the first paragraph, item 1, has been absent from work, and that period of absence has not been interrupted for more than fourteen consecutive days during the course of two whole qualifying years, further days of absence shall not entitle the employee to holiday pay.

The period of absence referred to in the first paragraph shall also include days during the period in which the employee would not have carried out work. (SFS 2007:392)

### **Carrying over of annual leave and holiday pay**

**Section 18** An employee who is entitled, during the course of an annual leave year, to more than twenty days of annual leave with pay, may carry over one or more remaining days to a subsequent annual leave year.

Unless otherwise provided in Section 20, third sentence, any day of annual leave which has been carried over shall be taken within five years of the end of the annual leave year from which it was carried over.

No days of annual leave may be carried over in the course of an annual leave year in which an employee claims a day of annual leave that has been carried over from a previous year.

**Section 19** Where an employee wishes to carry over days of annual leave, or where he wishes to take days of annual leave that he has carried over in conjunction with his ordinary annual leave, he shall notify his employer in connection with the decision to fix the annual leave dates for the year. Such notice need not be given until the employee has been advised of how many days of annual leave with pay he is entitled to take or can be estimated to be entitled to take. An employee who wishes to take days of annual leave that he has carried over otherwise than in conjunction with his ordinary annual leave shall give at least two months advance notice to his employer to that effect.

The provisions of the first paragraph of this Section shall apply only to the extent that no agreement has been reached to the contrary.

**Section 20** Days of annual leave that have been carried over shall be taken during the annual leave year of the employee's choice. The foregoing shall not apply, however, if an agreement has been reached to the contrary, or if there are special reasons why such days of annual leave should not be taken during that year. Where an employee has carried over any days of annual leave with the intention of taking such leave during the fifth year after the annual leave year during which they became due, and the taking of such leave would cause appreciable inconvenience, agreement may be reached for them to be taken during the sixth year.

**Section 21** Where an employee wishes to take at least five consecutive days of annual leave that he has carried over, these days and the whole of his annual leave for the annual leave year shall be granted consecutively, unless agreement has been reached to the contrary.

**Section 22** Unless otherwise provided by Section 23, the holiday pay for each day of annual leave that has been carried over shall represent 0.48 per cent of the sum of:

1. the pay which became due owing to the employment during the qualifying year immediately preceding the annual leave year in which the days of annual leave that have been carried over are taken, not including, however, pay in respect of any period during which the employee has been wholly or partly absent from work, and
2. an amount calculated as representing the income for any days during the same qualifying year on which the employee has been wholly or partly absent from work for any other reason other than annual leave which he has taken during the qualifying year and that he has not carried over from previous year, or his lay off during any closure of the undertaking effected for the purpose of enabling the employees to take their annual leave simultaneously.

The basis for the holiday pay referred to in the first paragraph, item 2 of this Section shall be calculated in accordance with the rules contained in Section 16, second paragraph, third and fourth sentences.

**Section 23** The holiday pay for the purposes of Section 22 shall be calculated as if the employee had been employed during the qualifying year therein referred to for the same proportion of the full number of hours of work as during the qualifying year, or years, in which he became entitled to holiday pay in respect of the days of annual leave that he has carried over.

#### **Special provisions as to holiday pay**

**Section 24** No account shall be taken, for the purpose of calculating holiday pay, of benefits in the form of free accommodation, or of pay benefits that are intended to represent compensation for special expenses.

**Section 25** An employee who receives free board in the employer's household shall be entitled to reasonable compensation for food on the days during his annual leave on which he has not, to any extent, availed himself of such benefits.

**Section 26** Employers shall pay each employee's holiday pay in conjunction with the employee's annual leave. In the case of an employee employed at hourly rates calculated by the week or any other longer unit of time, the employer may, in conjunction with the annual leave, pay the hourly rates corresponding to the period of annual leave in respect of which the payment is made and pay any outstanding holiday pay not later than the end of the annual leave year.

**Section 27** An employee who performs work in his own home, or otherwise under circumstances such that the employer cannot be expected to supervise the organisation of the work, shall be entitled to special holiday pay at the rate of 12 per cent of the pay due to him from his employment during the qualifying year.

Section 16, second paragraph shall apply, *mutatis mutandis*, for the purpose of calculating the pay during the qualifying year. The provisions of that paragraph as to absence credited for purposes of holiday pay shall, however, apply in relation to a

calendar week unless agreement has been reached on some other period of time. Sections 24 and 25 and also, where the employment was intended to last not more than three months and to involve not more than sixty hours, Section 5, third paragraph shall apply *mutatis mutandis*.

Special holiday pay shall be paid not later than 30 June immediately following the end of the qualifying year or, where the qualifying year ends after 30 April, not later than two months after it has ended. (SFS 1992:1329)

### **Compensation in lieu of annual leave**

**Section 28** Where an employee ceases to be employed by an employer before he has received the holiday pay for which he has qualified, he shall receive compensation in lieu of annual leave, except to the extent otherwise provided by Section 31.

The foregoing shall apply, *mutatis mutandis*, where an employee's conditions of employment are altered in such a way that annual leave with pay is already due during the qualifying year. In such circumstances, the provisions as to compensation in lieu of annual leave shall be applied as if the employment had ceased on the date of commencement of the new conditions of employment.

Section 5 contains provisions as to compensation in lieu of annual leave in certain other cases.

**Section 29** Compensation in lieu of annual leave shall be determined in accordance with the rules for calculating holiday pay. In the case of an employee who is entitled to free board in the employer's household, compensation in lieu of such board shall, however, be payable only in respect of the number of days for which the compensation in lieu of leave pay is to be calculated.

In the case of days of annual leave that have been carried over, compensation in lieu of annual leave shall be calculated as if they had been taken during the annual leave year in which the employment ceased.

Where an employee has received holiday pay in advance, the compensation in lieu of annual leave shall be reduced by the amount received. The foregoing shall not apply, however, where the holiday pay received in advance was paid more than five years before the cessation of the employment or where the employment ceased on account of:

1. the employee's sickness,
2. the circumstances referred to in Section 4, third paragraph, first sentence of the Employment Protection Act (1982:80) or
3. notice of termination issued by the employer on the basis of circumstances that are not attributable to the employee personally, except where the notice is issued in conjunction with the bankruptcy of a company. (SFS 1994:637)

**Section 30** Compensation in lieu of annual leave shall be paid to the employee without unreasonable delay, and in any event within one month after his employment ceases.

Where an impediment to the calculation of compensation in lieu of annual leave arises within one month after the employment ceases, such compensation shall be paid within a week after the impediment is overcome.

### **Transfer of undertaking**

**Section 31** An employee's entitlements under this Act shall not be affected by the transfer of an undertaking, a business or a part of a business under a transfer covered by Section 6b of the Employment Protection Act (1982:80). Nor shall the employee's right be affected by an undertaking or any part of an undertaking being transferred in conjunction with bankruptcy.

Where an employee transfers to a new employer within the same group, he shall, as regards annual leave, have the same rights in his new employment as he would have had in his previous employment. This is conditional, however, upon the employee not receiving compensation in lieu of annual leave from his previous employer and that he notifies both his previous employer and his new employer, not more than one month after his employment ceases, of his desire to transfer the annual leave benefits for which he has qualified to his new employment.

In cases covered by the second paragraph of this Section, the new employer shall be entitled to receive from the previous employer an amount corresponding to the compensation in lieu of annual leave which the latter would otherwise have been obliged to pay the employee. (SFS 1994:1688)

### **Damages**

**Section 32** An employer who breaches this Act shall, in addition to any holiday pay or compensation in lieu of annual leave to which the employee is entitled, compensate the employee for any damage incurred.

For the purpose of determining whether and to what extent damage has been incurred, account shall also be taken of the employee's interest in obtaining annual leave and of other circumstances of more than purely financial importance.

The amount of the damages may be reduced in whole or in part if it is reasonable to do so, having regard to the scope of the damage incurred or other circumstances.

### **Limitation of actions**

**Section 33** An employee wishing to claim holiday pay, compensation in lieu of annual leave or damages under this Act shall institute proceedings within two years, calculated from the end of the annual leave year in which, in accordance with this Act, he should have received the benefits to which the claim relates. Where he fails to do so, his entitlement to institute proceedings lapses.

### **Judicial procedure**

**Section 34** Cases relating to the application of this Act shall be dealt with in accordance with the provisions of the Labour Disputes (Judicial Procedure) Act (1974:371).

**Transitional provisions**

SFS 2006:1529

1. This Act enters into force on 1 January 2007.
2. Older provisions still applies as regards recruitment grants under the repealed Act on Adult Educational Recruitment Grants (2002:624).