



ACWA

AUSTRALIAN COMMUNITY
WORKERS ASSOCIATION

Response to

Investigation of the introduction of a portable long service leave scheme
for the social and community services sector in Queensland

Consultation Regulatory Impact Statement
Office of Industrial Relations

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Introduction

The Australian Community Workers Association (ACWA) is the professional association for the thousands of community workers in Australia. Community workers hold a variety of occupational titles and come into the profession from a number of disciplines and qualification backgrounds.

In principle the Australian Community Workers Association supports and commends the Queensland Government for its consideration of a portable long-service scheme for SACS workers. We do, nevertheless, have some unanswered questions.

The community services sector is a large employer; health care and social assistance, which includes community services workers, is one of the largest per capita employers in Australia. As a sector, however, it is experiencing unprecedented change in community demands and expectations of service provision. New 'disruptive' models of funding, such as NDIS, are impacting the viability of many smaller organisations that have previously survived contestability and short-term funding cycles. This dynamic landscape in the community sector has had several notable effects on the community sector workforce including casualization of the workforce and closures of services and organisations.

In relation to the proposed portable long-service scheme the significant characteristics of the community sector workforce are that: it is a sector largely dominated by women, for example in 2010-11, women represented 84% of workers in community service industries, compared with 45% of workers in all industries; the workforce is older than in other industries with over half employees in the sector being over the age of 45 compared to less than 40% in all other industries; and most significantly, but not surprisingly, a large proportion of workers in the sector are part-time employees¹. This we believe adds a dimension of complexity to the way in which the scheme is implemented.

Response

Question 1: Do you think a portable long service leave scheme in the social and community services sector in Queensland is desirable? Why/why not.

Clearly in an industry characterised by unpredictable levels of funding, permanent employment is not guaranteed for community and human services workers. This rotating door of employment opportunities is posited as one of the several key reasons why the community services industry has an overrepresentation of female employees. Additionally, many employees in the industry are only ever employed on a casual basis. In a recent survey conducted by the Australian Community Workers Association, respondents flagged short-term employment and long-service leave as a genuine workplace issue.

As many individuals spend their whole working life in a sector that offers little parity in salary levels, permanent employment, or even respect for the work they do the Australian Community Workers Association supports a scheme that allows community service workers to obtain the same LSL benefits as most other workers in Australia.

Question 2: What do you see would be the key benefits of a portable long service leave scheme for the social and community services sector? For employers? For workers? For government? For the community?

Overall it will be in the interests of the community, service recipients, the workers, and employers if the community services workforce is stable. An individual worker, for example, who stays with an organisation for seven years and over under the current arrangements, will accumulate long service leave along with knowledge and skills relevant to their work. It is clearly an advantage to an employer to keep staff in place for as long as possible thus creating a stable, knowledgeable and skilled workforce. This, unfortunately, is rarely the case as organisations compete for limited funding and the nature of the work itself often creates situations for burn-out and stress. Recruitment, orientation and training, therefore, are significant costs to an organisation if there is continuous churn in their workforce. We acknowledge, however, that some organisations cannot retain staff despite the obvious benefits to service recipients and to the business itself - and it is in the interests of those many staff that we support this scheme.

Question 3: What costs do you see would be involved in a portable long service leave scheme for the social and community services sector? For employers? For workers? For government? For the community?

Whilst not over emphasising unscrupulous employment practices in the sector we believe that all community sector organisations should endeavour to retain staff, employ permanent full-time staff and be required to make timely and adequate LSL provisions on the assumption of having long-term employees. Whilst a levy may seem like an impost for organisations that do not demonstrate good employment practices we believe that such a scheme would protect the workers and create a more stable workforce. As many sector employers do not currently put aside the required liability for LSL it will no doubt be a cost that many organisation have not previously experienced. Clearly there will be associated costs for administrators of the scheme regardless of whether option 1 or option 2 is adopted.

Question 4: Should a portable long service leave scheme introduced for the social and community services extend to both for-profit and not-for-profit organisations?

We make no distinction between the two sectors; both for profit and nonprofit organisations should be exemplary employers and make proper provision for employee entitlements.

Question 5: If a portable long service leave scheme were to be introduced what would be the most appropriate operating model? Should the scheme be similar to that operating in Queensland's contract cleaning industry (under the Contract Cleaning (Portable Long Service Leave) Act 2005) and should it be administered by QLeave or an alternative administering authority?

ACWA would support either Option 2 or Option 3 with a preference for Option 3, that being - legislate a mandatory PLSL scheme for the Queensland SACS sector with the existing statutory authority QLeave, to administer the scheme. However, we have some questions around the scheme as proposed. As a significant proportion of community sector workers are women, in the older age

group, and work part time we note the potential disadvantage to these workers under a credit system. We are assuming, for example, that in the construction and cleaning industries employees are full time and would reach the 2,200 credit target within the 10 year long service leave time span. Part-time community sector workers under the scheme though, may have to work significantly longer (in years) than those not working under the scheme. It may take up to 5 years longer for a part time worker to build up enough 'credit' to be eligible for long-service leave whereas a worker who is employed by one employer for 10 years (or seven years pro rata) is eligible for long service leave whether they have worked full or part time, or both, throughout the 10 year employment period. By the time a SACS worker has worked, say, 15 years to reach the 2,200 credit points target for 8.6667 week's leave workers in other industries will be eligible for 15 weeks leave.

Workers who have had the good fortune to be employed by one employer for 10 or 15 years leading up to retirement also have the option of receiving a payout. In the case of community sector workers who may have been both underemployed and poorly paid receiving a monetary pay out upon retirement would be a small boost to what will be a modest retirement /superannuation fund.

Conclusion

In conclusion we support a portable long service leave scheme for community sector workers and acknowledge that a PLSL scheme is a vast improvement on no entitlement or recognition for working for many years in an important and necessary sector. We would, however, like to see the potential issue of discrimination on the basis of part-time employment addressed. Once again we commend the Queensland Government for addressing this issue.
