

9 October 2018

SACS Portable Long Service Leave Consultation
Office of Industrial Relations – IR Policy
GPO Box 69
BRISBANE QLD 4001

By email: sacsplsl@oir.qld.gov.au

Dear Sir/Madam

Response to the Consultation Regulatory Impact Statement for the Proposed Portable Long Service Leave Scheme for the Social and Community Services Sector

Further to our correspondence of 26 September 2018 and recent meeting, I am pleased to provide this letter and attached joint peak Consultation Regulatory Impact Statement in support of the current investigation into the introduction of a portable long service leave scheme for the social and community services sector in Queensland.

QCOSS (Queensland Council of Social Service) is the leading force for social change in Queensland. Although as the peak body for community services we have a focus on working tirelessly to eliminate poverty and disadvantage across the state, we have a leadership role in ensuring that the many professional, passionate, and committed employees within the sector, who currently miss out on long service leave due to the nature of their work or employment, are represented.

QCOSS has previously provided, and again reiterates its in principle support for the introduction of a mandatory portable long service leave scheme for workers employed (by for-profit and not-for-profit organisations) in the social and community services sector including disability across Queensland.

There are several complexities and challenges facing employers and employees working in the community services sector due to a number of factors. These factors are often outside the control of both the employer and employee, however impact on an employees' ability to ever qualify for long service leave despite having worked for many years in the sector. These factors must be resolved to ensure successful implementation of a scheme in Queensland.

A number of portable long service leave schemes have been successfully implemented in other industries to address this inequity and allow employees the opportunity to more easily qualify for long service leave.

In a sector already facing significant change and challenges, QCOSS believes a more comprehensive engagement and consultation process must be undertaken across the community services sector seeking input into the key components, procedures, governance and compliance arrangements that may apply is critical. The following issues, but not restricted to, must be considered:

- Defining which workers and services (both for-profit and not-for-profit) across a diverse sector should be covered by the introduction of the new scheme.
- The financial impacts of implementation and resourcing of a new scheme on employers, specifically calculation of long service leave benefits (levy rate) to recognise current employee service and credit for retrospective service for a defined period.

- The capacity of QLeave to operate the scheme across Queensland including recognition and management of the allocation of leave with no impact on legal and taxation entitlements i.e. Fringe Benefits Taxation/Salary Sacrificing.
- Any legal issues or barriers that could arise with organisations operating and interacting with a range of industrial relation tools including the Fair Work Act and agreements and awards operating under the fair work scheme.
- Access to LSL entitlement on a pro-rata basis after seven years.
- Inclusion of 'cash out' provisions.
- Administration impacts of the scheme on employers.
- Impact on wage growth.
- Recognition of service between employers within the sector with break in service (not with the same employer) increased to four years. Currently the Industrial Relations Act only allows for up to three months away from the current employer before continuity of service is broken.
- Considering the impacts and outcomes of the proposed scheme on recruitment and retention.

As the State's peak body for individuals and organisations working in the social and community service sector, QCOSS understand the power of working together. Uniting nearly 600-member organisations across Queensland, QCOSS in partnership with the Office of Industrial Relations, considers it would be well placed to play a key role in undertaking a comprehensive engagement and consultation process with the social and community service sector.

Long service leave is an important worker entitlement, and I look forward to continuing to work with you to ensure implementation of a successful portable long service leave scheme ensuring equity for social and community service workers across the state.

Yours sincerely

A handwritten signature in blue ink, consisting of several fluid, overlapping strokes that form a cursive name.

Mark Henley
Chief Executive Officer