Five-year review of the Community Services Industry (Portable Long Service Leave) Act 2020

1.0 Background

1.1 Portable Long Service Leave in Queensland

Long service leave (LSL) is a workplace entitlement in Australia that provides employees with paid leave in recognition of long service with the same employer. In Queensland, eligible permanent and casual employees accrue 8.67 weeks LSL after 10 years of service (pro-rata for part-time) with the same employer. Workers are entitled to further LSL after every additional 5-year period in most jurisdictions.

LSL requires continuous service with the same employer; however some industries are characterised by high rates of involuntary mobility which are outside of an individual worker's control (e.g. project-based work, short-term and non-recurrent funding). This can prevent workers from becoming eligible for LSL with the one employer throughout their working lives. Portable long service leave (PLSL) schemes allow workers to accumulate LSL entitlements based on their continuous service in an **industry**, rather than with a single employer.

In Queensland, there are PLSL schemes for the following industries: community services, contract cleaning and building and construction. Other Australian states and territories have similar schemes as set out in the table below. Queensland, New South Wales, Victoria, South Australia and the Australian Capital Territory all have PLSL schemes for the community services industry.

Snapshot of Portable Long Service Leave Schemes in Australia									
Industry	QLD	NSW	VIC	SA	TAS	WA	ACT	NT	Cwth
Building and/or Construction	✓	√	√	√	√	√	√	√	
Contract Cleaning	✓	✓	✓	×	×	×	√	×	
Community Services Industry (*includes standalone aged care (AC))	√	√	√	√	×	×	*AC	×	
Other			Security				Security, Services industry		Black coal mining

Established as a statutory body, QLeave is Queensland's PLSL authority, and administers the three PLSL schemes: for the Building and Construction Industry; the Contract Cleaning Industry; and the scheme for the Community Services Industry. For the Community Services Industry scheme, employers report the number of days a worker has performed eligible work to QLeave and pay a quarterly levy; QLeave records a worker's total service in an industry (including if a worker changes employer). When the worker accumulates sufficient service credits in the industry, QLeave manages the PLSL claim and payment for the worker.

1.2 Legislative requirement

The Community Services Industry (Portable Long Service Leave) Act 2020 (Qld) (the Act) establishes the Community Services Industry Authority (the Authority), which is administered by QLeave. The Authority governs the equitable and efficient system of PLSL in Queensland's community services industry. The Act is supported by the Community Services Industry (Portable Long Service Leave) Regulation 2020 (Qld) (the Regulation).

The Act provides that the Minister for Industrial Relations must review the Act within five years from its commencement to determine whether its provisions remain appropriate. The Minister must table a report about the review in the Legislative Assembly as soon as practicable after the review is finished.

The Office of Industrial Relations is conducting this public consultation process as part of the review of the Act.

2.0 Queensland's Community Services Industry PLSL Scheme

2.1 Overview

The Community Services Industry PLSL scheme (the scheme) commenced on 1 January 2021 and provides a PLSL entitlement of 6.1 weeks of leave to eligible workers in Queensland's community services industry after they have seven years (2555 days) of recorded service registered with the scheme.²

The scheme was established following extensive consultation with stakeholders and industry. Development of the scheme was supported by a Consultation Regulatory Impact Statement where stakeholders were initially consulted on the introduction of the scheme. Twenty-nine written submissions were received from various stakeholders including industry peak bodies, employers and service providers, and individual workers. A further 320 letters were received from sector workers and worker representatives supporting the introduction of the scheme, with the consultation process indicating broad in-principle support for a PLSL scheme in the community services sector. A subsequent Decision Regulatory Impact Statement was published before the scheme's Bill was introduced into the Legislative Assembly.



¹ Section 123 of the Act.

² Section 73 of the Act.

Following this consultation process, a Stakeholder Taskforce was established, which comprised of representatives of key community services industry bodies that advised on the development of the scheme and its significant components The Stakeholder Taskforce held ten meetings with stakeholders and also sought advice from interstate counterparts and stakeholders that had existing schemes. The scheme's Bill was then introduced to a <u>parliamentary committee</u> which invited submissions on the Bill; 23 submissions were received and the committee held a public hearing. The Committee published a report which made one recommendation: that the scheme's Bill be passed, which established the community services industry PLSL scheme.

The scheme is performing well and as of 30 June 2025 (4.5 years after the scheme commenced), 221,881 workers and 2054 employers are registered for the scheme³. QLeave continues to engage with employers and workers in the sector via ongoing education and awareness campaigns.

The scheme is funded by a quarterly levy on ordinary wages payable by employers in the community services industry. Funds collected through the scheme are invested, with accumulated funds used to pay eligible workers' long service leave claims.

The current levy rate, as prescribed in the Regulation,⁴ is 1.35% of ordinary wages of the engaged workers. The Act provides for an actuarial review⁵ of the levy rate at least every two years,⁶ as well as an actuarial review of the Authority's funds. The Authority provides a report to the Minister with its recommendations on the actuary's opinion and the adequacy of its funds, with recommendations relating to the levy rate and budgeting informed by the actuarial review. The financial aspects of the scheme are available in annual reports and financial statements that the Authority is required to produce under the *Financial Accountability Act 2009* (Qld).

All claims made to QLeave for this scheme so far have been 'employer reimbursement claims', where a worker had already been working with the same employer for some years when the scheme commenced and has since accumulated a LSL entitlement with that employer. Employers are still obliged to pay any standard LSL entitlements their staff accrue while in their employ, but they would have also been paying a levy to the scheme for that employee, so employers can claim a reimbursement from QLeave. Statistics in the 2024-25 Annual Report highlight that during the 2024-25 financial year there were 3458 employer reimbursement claims paid by QLeave (approximately \$6 million).

QLeave as the 'Authority' administers the scheme subject to the Minister for Industrial Relations. The Authority is overseen by a Board⁷ which reports to the Minister for Industrial Relations. The Board's functions are set out in the Act and include ensuring the Authority (i.e., QLeave) performs its functions appropriately. Under section 18 of the Act, board appointments are for a three-year term and its membership comprises of: a chair, deputy chair (who must have knowledge and experience in financial matters) and three directors representing employers in the industry and three directors representing workers in the industry.



³ 2024-25 Annual Report

⁴ Section 6 of the Regulation.

⁵ Section 43(1) of the Act.

⁶ In practice, a full actuarial assessment is performed yearly. Per section 43(2) of the Act, the Board appoints an actuary that is appropriately qualified to carry out the investigation.

⁷ Part 3, Division 3 of the Act.

2.2 Coverage of the Community Services Industry PLSL Scheme

The scheme covers workers in Queensland, who are engaged by an employer (including under labour hire licensing arrangements) or are self-employed, who perform community services or support its provision (e.g. administrative support). Employers are required to register under the scheme if they engage one or more workers who qualify to register for the scheme.

The Act prescribes the types of community services which are covered by the scheme.8

Included in scheme

Workers who:

- are employed by an employer providing community services; and
- · perform community services work; or
- support, supervise or manage the provision of community services.

This includes workers who:

- are engaged as a casual, part-time, or full-time employee
- are engaged under a contract for service including labour hire workers
- operate as a sole trader
- work in for-profit and not-for-profit organisations.

The scheme is intended to cover a broad range of jobs and employment types within the community services industry; although noting it is also necessary to distinguish the community services industry from other related but distinct industries like aged care, early childhood education and health care. There is a known overlap in multi-service providers, for example where an organisation's workers perform eligible community services work within the scope of the Act (such as disability support services and home-care services), as well as performing work outside of Act's scope such as aged care but the organisation is not a standalone aged care facility. Other practical examples are clinics that offer health (e.g. GP) services and also provide community services such as drug and alcohol programs.

The scheme also supports the ability for individual Community Services Industry PLSL schemes in one state to recognise service registered in another state's PLSL scheme for the community services industry. ⁹

As well as coverage within the scheme, the Act also provides for requirements relating to the registration of workers and employers, the calculation and payment of PLSL, levy and related provisions, service credits, review and appeal of decisions, and powers and appointment of authorised officers of QLeave.

The Act also includes provisions relating to the powers and functions of the Authority and its governing Board, proceedings for offences, as well as operational provisions (such as record keeping) and transitional provisions.



⁸ Schedule 1 (Types of community services) of the Act.

⁹ Section 119 of the Act.

3.0 Stakeholder consultation

The Office of Industrial Relations is calling for written submissions from employers or workers under the scheme, or other interested parties, regarding the review of the Act. Submissions will not be published.

Written submissions or any inquiries should be emailed to irpolicy@oir.qld.gov.au by close of business Friday 5 December 2025.

OIR welcomes feedback on any aspect of the operation of the Act, and the following questions are provided to help prompt feedback:

- 1. Do you engage with the scheme? If yes, in what capacity? (e.g. are you a worker, employer, peak body, other organisation).
- 2. Has your engagement with the scheme been beneficial? Could you provide examples? Could it be improved?
- 3. Is the scope of workers and employers covered by the scheme effective?
- 4. Do the workers in multi-service providers consider themselves included within the community services industry?
- 5. In relation to the Act and the Regulation, do you have any comments about the operation or drafting of any provisions?
- 6. If you operate in more than one state with a PLSL scheme for the community services industry, can you comment on what works well in Queensland's scheme in comparison to others and what could be improved?