



KAMCORP INDUSTRIAL RELATIONS EMPLOYEE RELATIONS UPDATE

Changes to Vic Long Service Leave Now Law

The Victorian Government introduced more generous statutory long service leave provisions last year. Those changes became effective on 1 January 2006.

The altered Victorian Long Service Leave Act provides that employees whose long service entitlement is not covered by an award, certified agreement or AWA (or regulated separately) are now entitled to two months leave after 10 years, rather than three months after 15 years.

The legislature determined to implement a 'phasing-in' of this entitlement by providing that workers with more than 10 but less than 15 years service on January 1 are only able to count two-thirds of that time when seeking to access their leave. For example:

An employee has 12 years' continuous employment immediately before 1 January 2006. Two-thirds of that 12 year period (eight years) can be taken into account for determining when he/she can take LSL. Once he/she completes another two years' employment, he/she can take

LSL (ie will be at the 10 year point). The LSL calculation is equal to 1/60th of his/her total years of service (ie. at that time it will be 14 years).

Additional changes are:

- The entitlement to pro rata long service leave on termination of employment now commences after seven years continuous employment (previously 10 years), regardless of the reason for termination;
- Long-term casual and seasonal workers are included under the definition of employee;
- Employers will be able to direct employees to take their leave by giving three months notice in writing if the timing can't be agreed on;
- Except for unpaid parental leave, all forms of paid and unpaid leave will count as service;
- Employee's may request double leave at half pay and an employer cannot unreasonably refuse such a request;
- Where employees' hours vary, they will be paid long

service leave at the greater of their average pay over the last 12 months, or their average over the last five years;

- Public holidays falling within the leave period will be added to the leave period;
- Penalties for breaching the Act have increased.

The State Government indicated the purpose of the amendments was to make LSL laws more consistent with modern working practices; to prevent disadvantage to employees taking leave for family reasons; and to ensure categories of employees such as casual and seasonal employees are treated fairly.

Contact Kamcorp should you require further advice

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