

**SUBMISSION DOCUMENT**

## Introduction of Portable Long Service Leave scheme for the Community Services Industry

**Company Name:** Vocational Partnerships Group Inc**Contact Name:** Maryanne Tranter**Position:** Chief Executive Officer**Contact Phone:** 07 40916411**Contact Email:** [maryanne@vpginc.com.au](mailto:maryanne@vpginc.com.au)

Long Service Leave is understood and accepted throughout the community as something that is contingent on extended service with a single employer

As a QLD Community agency, we recommend that Long Service Leave remain contingent on 'long service' with a single employer and not operate on a portable basis.

Please see below the impacts we feel implementing the Portable Long Service leave scheme will have on community organisations and employees.

<b>IMPACT ON COMMUNITY AGENCIES</b>	<b>STATEMENTS</b>
FINANICAL IMPACT	Community Agencies make provisions for entitlement liabilities contingent on a service threshold being met. Where employment ends prior to the threshold being met, the monies remain with the Community agency. A portable scheme would obligate payment from the first day of employment and create an absolute liability
	Entitlement liabilities are often invested by community agencies in savings accounts, where the financial return assists in the financial administration of entitlements, until such time as the provision becomes payable. A portable LSL scheme would significantly disadvantage community agencies from receiving a financial return on their investment
	National agencies will face differing accruals when employees work in different states during their service with the community agency
IMPACT ON HIRING DECISIONS	Why would a community agency hire a candidate who may exercise their right to an extended period of absence within weeks/months into their employment?
	If a community agency hires the candidate described above, why should they be responsible for unknown liabilities that only becomes clear once employment has commenced?
	Would the community agency have a clear report of current accrued entitlements before hiring the employee?
CHALLENGES FOR EMPLOYEES	Any LSL scheme needs to offer scope for flexible accrual and use by agreement, between employee's and community agencies to meet changing and diverse employee needs and priorities. E.g. Taking of LSL gradually rather than in blocks, variable employment arrangements due to parental/study leave, stockpiling of LSL to take at preferred times rather than when it falls due.