



RIS Ref: OIR0073-0819

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Ms Lucy Fraser
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1 William Street
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Dear Ms Fraser

Decision Regulatory Impact Statement—Portable Long Service Leave Scheme for the Social and Community Services Sector

Thank you for your enquiry on 26 August 2019 seeking advice on the adequacy of the 'Portable Long Service Leave Scheme for the Social and Community Services Sector' Decision Regulatory Impact Statement (RIS).

Background

Long service leave is a workplace entitlement that provides long-serving employees of an organisation with additional paid leave. In Queensland, such entitlements are generally provided for in the *Industrial Relations Act 2016* (the Act). The Act provides 8.6667 weeks long service leave after 10 years continuous service with one employer. A pro rata payment can also be paid to an employee after seven years continuous service with one employer in specific circumstances.

The Office of Industrial Relations (the office) considers however that workers in Queensland's social and community services sector (the sector) may have difficulty accessing such leave. The Office contends this is because of the high level of mobility between employers in the sector, as a result of the contractual nature of the work.

Proposal

The office released a Consultation RIS on 7 September 2018 to investigate ways to improve the accessibility of long service leave entitlements for workers in the sector, specifically via a 'portable long service leave scheme' similar to what exists in the building and construction and contract cleaning industries. Such schemes allow employees to work for multiple employers within their industry and gain their long service leave benefit from a pool of accumulated funds, paid for by employers. The Consultation RIS presented the following options for investigation:

1. no legislative change
2. introduce a portable long service leave scheme for the sector, with a new sector-specific governing authority to administer the scheme
3. introduce a portable long service leave scheme for the sector, with the existing statutory authority 'QLeave' administering the scheme.

The RIS recommended the introduction of a portable long service leave scheme for the sector as the office considered the benefits of such a scheme will outweigh any additional costs. In addition, the RIS presented Option 3 as the preferred option given the estimated administrative savings under the QLeave model.



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The Consultation RIS was open for comment until 4 October 2018 and 349 submissions were received by the office in response. The office notes that while there was broad in-principle support for a scheme from a majority of stakeholders, many requested ongoing consultation on the proposed scheme's operation and impact. A stakeholder taskforce of key peak bodies and unions was therefore also established to provide further advice to the office on the development of the scheme.

Assessment of Decision RIS

The purpose of a Decision RIS is to reflect the outcomes of consultation on proposed regulatory amendments, including how stakeholder views were taken into consideration in developing a final recommendation. The Decision RIS continues to present Option 3 as the office's preferred option.

The Commission has assessed the Decision RIS and considers it adequately presents the results of consultation and subsequent stakeholder consideration, details of the office's response to stakeholder feedback and a discussion of the impacts of the proposal. Given this, the Commission considers the Decision RIS is adequate to support the decision maker's consideration of the proposal.

Consistent with the Queensland Government Guide to Better Regulation (the guidelines), the final Decision RIS and this letter of adequacy will be published on the Commission's website following approval of the RIS for release.

Please contact Sean Mackay, Principal Analyst on (07) 3015 5149 if you require any additional information or guidance in relation to the above comments or the guidelines in general.

Yours sincerely



Christine Tozer
Team Leader