

Chapter
12

Long Service Leave

LONG SERVICE LEAVE

Long Service Leave is a period of paid leave granted to an employee in recognition of a long period of service to an employer. Entitlements for long service leave are provided for in the Industrial Relations Act 1999 (the Act). The Act provides that all employees in Queensland are entitled to long service leave, subject to certain conditions. Casuals, regular part-time employees and seasonal employees have specific entitlements to long service leave.

Entitlement

As from 3 June 2001 the entitlement to long service leave is 8.6667 weeks on full pay after each period of 10 years continuous service.

After an employee has completed their first 10 years continuous service, they are entitled to take any further long service leave accumulated only after another five years continuous service (i.e. after 15 years continuous service).

Long service leave entitlements accumulated for such periods but which have not been taken are payable on termination.

Pro Rata Entitlement

As from 3 June 2001, employees are entitled to receive proportionate payment of long service leave on termination of employment after completing 7 years continuous service. This payment is called *pro rata long service leave*.

However, employees who have completed 7, but less than 10 years continuous service are entitled to pro rate long service leave only if:

- The employee dies
- The employee terminates their service because of their illness or incapacity or because of a domestic or other pressing necessity
- The employer dismisses the employee for a reason other than the employee's conduct, capacity or performance, or
- The employer unfairly dismisses the employee.

Casual Employees

All continuous service after 30 March 1994 is taken into account in calculating long service leave entitlements for casual employees. This continuous service may be broken by a break of more than 3 months between the end of one employment contract and the start of the next employment contract.

Continuous Service

Generally, continuous service refers to paid working time and paid leave. Employment is the total period engaged and can include unpaid leave.

Continuity of an employee's service is not broken by the following:

- Absence from work on leave (paid or unpaid) granted by the employer, e.g. because of illness or injury
- Termination of the employee's service because of illness or injury, provided the employee is re-employed by the same employer and the employee has not engaged in other work during the absence
- Where there has been a termination of the employee's service but the employee has been re-employed by the same employer within three months
- Where there has been a termination of the employee's service due to an industrial dispute or slackness in the employer's business and the employee has been re-employed by the same employer
- Absence on WorkCover.

Rate of Pay

Long service leave is paid at the current ordinary rate (not including penalty or overtime payments). If the employee is paid above the Award rate then the payment for Long Service Leave is to be paid at the higher rate.

The number of hours leave to which a casual or regular part-time employee is entitled is calculated by dividing the total ordinary hours worked during the period service by 52 and multiplying this amount by 8.6667/10.

Long service leave entitlement for an employee who was a casual or regular part-time employee at any time during their continuous service is also calculated using the above method. The total ordinary hours used in the calculation will include both the hours while employed as a full time employee as well as those while employed as a casual or regular part-time employee.

When Can It Be Taken?

The time and manner of taking long service leave should be agreed between the employer and employee. Where agreement can't be reached, the employer can – with at least three months notice – require an employee to take at least four weeks long service leave.

What Happens If A Public Holiday Occurs During Long Service Leave?

An extra day must be included in the long service leave. This does not apply when the leave is taken as a cash payment on termination of employment.

Transmission of Service

When a business changes hands, or is sold and the new employer continues to employ any existing staff, responsibility for long service leave entitlements accumulated with the previous employer transfers to the new employer.

The transfer of entitlement also occurs if an employee is dismissed at the time the business changes hands or within the preceding month and is subsequently employed by the new employer within three months.

Portable Long Service Leave

Portable long service leave is designed to give workers who are unlikely to work for one employer long enough to accrue a long service leave entitlement, the same entitlement rights as workers do.

The Contract Cleaning Industry (Portable Long Service Leave) Act 2005 came into effect on 1 July 2005. As an employer you will need to register with the Contract Cleaning Industry Portable Long Service Leave Authority and, on a quarterly basis, pay the prescribed levy on the ordinary wages of all your workers and provide the prescribed information to the Authority. Employers must register within 7 days of becoming an employer in the contract cleaning industry. Penalties may be imposed for any employer failing to register.

Tables to calculate Long Service Leave entitlements

Table 1

Use the following table for employee who started employment before 3 June 2001 and had less than 15 years service as at that date. Use Table 2 for the calculation of pro rata long service leave.

1	2	3	4	5
Years of service at 3/6/2001	Years of service reduced to 2/3rds to allow phasing-in (2/3 x Col 1)	Additional years of service that must be worked before leave can be taken (10 – Col 2)	Total years of service worked before leave can be taken (Col 3 + Col 1)	Total weeks leave entitlement when qualifying period reached (Col 4 x 0.86667)
0	-	10.0000	10.0000	8.6667
1	0.6667	9.3333	10.3333	8.9556
2	1.3333	8.6667	10.6667	9.2445
3	2.0000	8.0000	11.0000	9.5334
4	2.6667	7.3333	11.3333	9.8222
5	3.3333	6.6667	11.6667	10.1112
6	4.0000	6.0000	12.0000	10.4000
7	4.6667	5.3333	12.3333	10.6889
8	5.3333	4.6667	12.6667	10.9778
9	6.0000	4.0000	13.0000	11.2667
10	6.6667	3.3333	13.3333	11.5556
11	7.3333	2.6667	13.6667	11.8445
12	8.0000	2.0000	14.0000	12.1334
13	8.6667	1.3333	14.3333	12.4222
14	9.3333	0.6667	14.6667	12.7112
15	10.0000	0.0000	15.0000	13.0001

Table 2

Use this table to calculate long service leave for employees who started employment:

- before 3 June 2001 and had 15 years service or more as at that date
- on or after 3 June 2001, and
- pro rata long service leave payable on termination of employment.

Completed Years	Completed Months											
	0	1	2	3	4	5	6	7	8	9	10	11
0	-	0.0722	0.1444	0.2167	0.2889	0.3611	0.4333	0.5056	0.5778	0.6500	0.7222	0.7944
1	0.8667	0.9389	1.0111	1.0834	1.1556	1.2278	1.3000	1.3723	1.4445	1.5167	1.5889	1.6611
2	1.7333	1.8055	1.8777	1.9500	2.0222	2.0944	2.1666	2.2389	2.3111	2.3833	2.4555	2.5277
3	2.6000	2.6722	2.7444	2.8167	2.8889	2.9611	3.0333	3.1056	3.1778	3.2500	3.3222	3.3944
4	3.4667	3.5389	3.6111	3.6834	3.7556	3.8278	3.9000	3.9723	4.0445	4.1167	4.1889	4.2611
5	4.3333	4.4055	4.4777	4.5500	4.6222	4.6944	4.7666	4.8389	4.9111	4.9833	5.0555	5.1277
6	5.2000	5.2722	5.3444	5.4167	5.4889	5.5611	5.6333	5.7056	5.7778	5.8500	5.9222	5.9944
7	6.0667	6.1389	6.2111	6.2834	6.3556	6.4278	6.5000	6.5723	6.6445	6.7167	6.7889	6.8611
8	6.9333	7.0055	7.0777	7.1500	7.2222	7.2944	7.3666	7.4389	7.5111	7.5833	7.6555	7.7277
9	7.8000	7.8722	7.9444	8.0167	8.0889	8.1611	8.2333	8.3056	8.3778	8.4500	8.5222	8.5944
10	8.6667	8.7389	8.8111	8.8834	8.9556	9.0278	9.1000	9.1723	9.2445	9.3167	9.3889	9.4611
11	9.5333	9.6055	9.6777	9.7500	9.8222	9.8944	9.9666	10.0389	10.1111	10.1833	10.2555	10.3277
12	10.4000	10.4722	10.5444	10.6167	10.6889	10.7611	10.8333	10.9056	10.9778	11.0500	11.1222	11.1944
13	11.2667	11.3389	11.4111	11.4834	11.5556	11.6278	11.7000	11.7723	11.8445	11.9167	11.9889	12.0611
14	12.1333	12.2055	12.2777	12.3500	12.4222	12.4944	12.5666	12.6389	12.7111	12.7833	12.8555	12.9277
15	13.0000	-	-	-	-	-	-	-	-	-	-	-

**Entitlement for completed years and months of service PLUS
Entitlement for completed weeks and days of service**

Completed Weeks	Completed Days						
	0	1	2	3	4	5	6
0	-	.0024	.0048	.0072	.0095	.0119	.0143
1	.0167	.0191	.0215	.0238	.0262	.0286	.0310
2	.0333	.0357	.0381	.0404	.0428	.0452	.0476
3	.0500	.0524	.0548	.0571	.0595	.0619	.0642
4	.0667	.0691	.0715	.0738	-	-	-

Web Site

For further information please refer to the Queensland Industrial Relations web sites at www.dir.qld.gov.au and www.wageline.qld.gov.au.