



Public Sector Labour Relations

Shaping a contemporary public sector workforce

Long service leave – Transitional arrangement for casual employees

9 December 2019

Background

Casual employees may be eligible for long service leave (LSL) under the *Long Service Leave Act 1958* (the Act), even if the applicable award or industrial agreement provides a casual loading in lieu of such leave.

Following registration of the Public Sector CSA Agreement 2019 (PSCA), casual public servants and government officers will accrue LSL under the Government Officers Salaries, Allowances and Conditions Award 1989 and the Public Service Award 1992 and not the Act.

The LSL qualifying period and entitlement differ between the Act and applicable award, as demonstrated in the following table:

Instrument	Qualifying period	Accrued entitlement	Accrual per annum
Act	10 years	8 ² / ₃ weeks	0.8667 weeks
Award	7 years	13 weeks	1.86 weeks

This document describes how employers are to calculate LSL entitlements of casual employees transitioning from the Act to the applicable award. It applies to existing casual employees who continue to be employed on and after 4 November 2019.

Transitional arrangement

In summary:

- Employees retain entitlements already accrued under the Act. Years of continuous service that do not amount to an accrued entitlement under the Act transition directly, and are treated as years of continuous service for the applicable award without any compaction.
- Section 6 of the Act, which sets out what constitutes continuous employment for the purposes of the Act, should be applied in determining continuous service for casual employees both before and after the transition.
- Any accrued LSL entitlement is calculated on the average weekly hours worked by the employee over the entire qualifying period.

The following examples show how LSL entitlements are calculated for casual employees who have completed five, nine and eleven years of continuous service.

Example one:

Casual employee has completed five years of continuous service as at 4 November 2019.

1. Before registration:

LSL Act (notional entitlement) calculation = 5 years x 0.8667 weeks = 4.33 weeks.

2. After registration:

Years of continuous service are recognised for the applicable award without any compaction. Calculation = 5 years x 1.86 weeks = 9.3 weeks. A LSL entitlement under the applicable award accrues on completion of seven years' continuous service.

3. The employee works another two years. Calculation = 2 years x 1.86 weeks = 3.7 weeks (rounded down).

4. The employee accrues LSL entitlement at 7 years = 9.3 + 3.7 = 13 weeks.

5. The employee needs to work a further seven years to accrue their next LSL entitlement under the applicable award.

Example two:

Casual employee has completed 9 years of continuous service as at 4 November 2019.

1. Before registration:

LSL Act (notional entitlement) calculation = 9 years x 0.8667 weeks = 7.8 weeks.

2. After registration:

The pro rata entitlement under the LSL Act attributable to seven years' service becomes an accrued entitlement under the applicable award. Calculation = 7 years x 1.86 weeks = 13 weeks (rounded down).

The remaining two years are recognised as years of continuous service for the PSA without any compaction. Calculation = 2 years x 1.86 weeks = 3.7 weeks (rounded down).

3. The employee works another five years. Calculation = 5 years x 1.86 weeks = 9.3 weeks.

4. The employee accrues second LSL entitlement at 14 years = 3.7 + 9.3 = 13 weeks.

5. The employee needs to work another seven years to accrue their next LSL entitlement under the applicable award.

Example three:

Casual employee has completed 11 years of continuous service as at 4 November 2019.

1. Before registration:

LSL Act (accrued entitlement) calculation = 10 years x 0.8667 weeks = 8.667 weeks.

LSL Act (notional entitlement) calculation = 1 year x 0.8667 weeks = 0.8667 weeks.

2. After registration:

LSL Act (accrued entitlement) calculation = 10 years x 0.8667 weeks = 8.667 weeks.

Years of continuous service are recognised for the applicable award without any compaction. Calculation = 1 year x 1.86 weeks = 1.86 weeks. A LSL entitlement under the Applicable Award accrues on completion of seven years' continuous service from the employee's last LSL accrual under the LSL Act.

3. The employee works another six years. Calculation = 6 years x 1.86 weeks = 11.16 weeks.

4. The employee accrues second LSL entitlement at 17 years = 1.86 + 11.16 = 13 weeks (rounded down).

5. The employee needs to work another seven years to accrue their next LSL entitlement under the applicable award.

Your labour relations adviser is available to assist with queries about the transition.
