

PARLIAMENT OF VICTORIA Economic, Education, Jobs & Skills Committee

**MEDIA RELEASE** 

## Committee moves to investigate long service leave portability

The Victorian Parliament's Economic, Education, Jobs & Skills Committee has called for submissions to an inquiry into portability of long service leave entitlements for Victorian workers.

"Long service leave rewards workers who have worked long and hard for many years," said Committee Chair, Mr Nazih Elasmar. "It gives workers a well-deserved mid-career break, allowing them to return to work with renewed energy."

"Victoria's workforce is changing fast," said Mr Elasmar. "Even though workers are spending more of their lives in the workforce, they are moving jobs more often, which means they are less likely to rack up long service leave."

Research shows that three quarters of Australian workers remain with their employer for less than ten years, the usual qualifying period for long service leave. One in five workers has been with their current employer for less than one year. Working lives are also increasing: a male born in 2011 can expect to spend 36.8 years in the workforce, up from 35.1 years for those born in 2001.

"A lot of employees are missing out on long service leave, despite working in a single industry for many, many years," said Mr Elasmar.

Portable long service leave arrangements already exist in some industry sectors, allowing an employee to take their long service leave entitlements with them as they move employers within a single industry. In Victoria, a portable long service scheme has operated in the building and construction industry since the 1970s. In other parts of Australia, schemes cover other industries such as contract cleaning, security and the community services sector.

"We will be looking at the portable long service schemes already in place both in Victoria and elsewhere in Australia to see what we can learn from them," said Mr Elasmar. "In particular, the Committee will look at which industries may benefit from portable long service leave arrangements."

The Committee's terms of reference specifically ask the Committee to examine the community services sector.

The Committee will also consider possible models for portable long service leave schemes, and the financial and economic impacts of portable long service leave arrangements.

Mr Elasmar urged all interested individuals and organisations to make a submission to the inquiry.

The closing date for submissions is 7 August 2015.

The inquiry's terms of reference and information about how to make a submission to the Committee are available on the Committee's website at: <u>www.parliament.vic.gov.au/eejsc</u>

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