

MINISTER FOR STATE DEVELOPMENT, EMPLOYMENT AND INDUSTRIAL RELATIONS

- 1. TITLE:** **Long Service Leave**
- 2. PURPOSE:** To prescribe long service leave entitlements.
- 3. LEGISLATIVE PROVISION:** Section 34(2) of the *Public Service Act 1996* and section 686 of the *Industrial Relations Act 1999*.
- 4. APPLICATION:** This directive applies to –
 - public service officers;
 - tenured general employees engaged under section 112(2)(a) of the *Public Service Act 1996*;
 - temporary employees engaged under sections 112(2)(a) and 113(2)(a) of the *Public Service Act 1996*; and
 - employees engaged on a casual basis under sections 112(2)(b) and 113(2)(b) of the *Public Service Act 1996*.
- 5. STANDARD:** The conditions and entitlements prescribed in the Schedule apply.
- 6. EFFECTIVE DATE:** This directive is to apply from **23 July 2007**.
- 7. VARIATION:** The provisions in the Schedule may be varied in accordance with certified agreements made under Chapter 6, Part 1 of the *Industrial Relations Act 1999* or decisions of an industrial tribunal of competent jurisdiction.
- 8. INCONSISTENCY:** Sections 34 and 117 of the *Public Service Act 1996* and sections 686 and 687 of the *Industrial Relations Act 1999* apply if there is a conflict with an act, regulation or industrial instrument.
- 9. SUPERSEDES:** Ministerial Directive 21/05: “*Long Service Leave*”
- 10. PREVIOUS REFERENCES:** Ministerial Directive 3/05: “*Long Service Leave*”
Ministerial Directive 1/01: “*Long Service Leave*”
Ministerial Directive 11/99: “*Long Service Leave*”
Sections 24 and 33 of the *Public Service Management and Employment Regulation 1988* as in force on 24 February 1995
Administrative Instruction No. 1 | 59.
- 11. SEE ALSO** Chapter 2, Part 3 *Industrial Relations Act 1999* (Long Service Leave)
Directive: “*Leave without Salary Credited as Service*”
Directive: “*Higher Duties*”
Circular 4/01

SCHEDULE

LONG SERVICE LEAVE

1. Entitlement

1.1. Public service employees including public service officers, temporary employees, general employees and casual employees (referred to as "employees" in this schedule) are entitled to long service leave on full pay as provided in this schedule.

2. Long service leave entitlement and accrual

2.1 An employee who completes 10 years continuous service is entitled to long service leave on full pay of:

- 6.5 working days for each year of continuous service; or
- 1.3 calendar weeks for each year of continuous service; and
- a proportionate amount for an incomplete year of service.

2.2 It is at the chief executive's discretion whether the leave is calculated in working time or calendar time.

2.3 Part-time employees

(a) The permanent part-time employment arrangements contained in the relevant industrial instrument apply or, where there are none, those contained in the *Flexible Work Practices Framework and Options Kit* (Number 1 in the Attraction and Retention Series) apply.

(b) The qualifying period for long service leave purposes for part-time employees is 10 calendar years of continuous service worked on a part-time basis, or a combination of full-time, part-time and/or casual service.

2.4 Casual employees

(a) For the purpose of this directive, the service of a casual employee is regarded as continuous if the employee has service that has been recognised for long service leave purposes and it extends over a period of 10 years or longer.

(b) A casual employee's entitlement to long service leave is to be calculated as follows:

Number of hours x rate of pay

Where:

Number of hours = $\frac{\text{total hours of work}}{52} \times \frac{13}{10}$

2.5 Voluntary reversion to a lower classification

(a) Where an employee voluntarily reverts to a lower classification, the employee will be entitled to long service leave accrued as at the date of the reversion at the employee's substantive classification and paypoint immediately preceding the reversion.

(b) The employee is not compelled to take accrued long service leave at the date of voluntary reversion to a lower classification.

(c) Long service leave accrued after reversion to a lower classification is payable at the employee's classification and paypoint at the relevant time.

(d) Should the employee subsequently attain a substantive classification and paypoint higher than the substantive classification and paypoint immediately preceding reversion to a lower classification, all long service leave accrued will become payable at the higher classification and paypoint.

3. Definitions

3.1 "continuous service" includes service and periods of leave that have been recognised for long service leave purposes under the relevant directive.

3.2 "daily hours" means:

- the number of ordinary daily working hours of an employee as specified in the relevant industrial instrument; or
- in any other case – the number of hours specified in the relevant industrial instrument as the average number of hours per working day of an employee during a pay period or other period that is reasonable in the circumstances.

3.3 “**employee’s legal personal representative**” means the executor or administrator of an employee’s estate.

3.4 “**full pay**” means the employee’s ordinary rate of pay and is inclusive of any fixed allowances that are part of the regular fortnightly pay.

3.5 “**half pay**” means half of the rate of full pay.

3.6 “**industrial instrument**” means an award, industrial agreement, certified agreement, contract, former determination of the Governor-in-Council, directive or determination made under section 149 of the *Industrial Relations Act 1999*.

3.7 “**ordinary rate**” means the rate that the relevant industrial instrument states is payable for ordinary time.

3.8 “**teacher**” means an employee determined by the chief executive to be a teacher for the purpose of this directive.

3.9 “**weekly hours**” means:

- the number of ordinary weekly working hours of an employee as specified in the relevant industrial instrument; or
- in any other case – the number of hours specified in the relevant industrial instrument as the average number of hours per working week of an employee during a pay period or other period that is reasonable in the circumstances.

4. Departmental convenience

4.1 The taking of long service leave is subject to departmental convenience.

5. Application for long service leave

5.1 Applications for long service leave are to be made in writing or in a form determined by the chief executive.

6. Timely notice

6.1 An employee is to give timely notice of the date from which long service leave is to take effect.

6.2 The employer must respond to a request to take long service leave in a timely manner indicating whether the leave applied for has been approved or not.

7. Timing of leave

7.1 An employer and employee may agree when the employee is to take long service leave.

7.2 If the employer and employee cannot agree on the timing of the leave, the employer may decide when the employee is to take leave by giving the employee at least 3 months written notice of the date on which the employee must take at least 4 weeks long service leave.

8. Recall or cancellation of leave

8.1 If departmental circumstances require it, a chief executive may:

- recall an employee from long service leave; or
- cancel the approval of any long service leave; or
- defer the taking of long service leave.

8.2 An employee who is recalled or whose leave is cancelled will be allowed to take leave at the earliest opportunity that is mutually convenient for the employee and the chief executive.

8.3 Where an employee has incurred expenses, such as deposit payments, relating to payments for accommodation and/or travel for the employee and/or their immediate family, and those expenses are lost due to a recall, cancellation or deferral of leave by the chief executive, the expenses will be reimbursed by the department. Such reimbursement is conditional upon the employee producing evidence of losses incurred, in the form of receipts or other evidence to the satisfaction of the chief executive.

9. Leave granted on an hourly basis

9.1 If an employee applies for leave on a basis other than an hourly basis, the leave may be granted on an hourly basis.

10. Leave based on the number of hours that the employee would have worked

- 10.1 Where leave is calculated in working time and an employee is rostered to work a specific number of hours on a day and the employee is absent from duty on that day, or for part of it, the employee's leave account is to be reduced. This reduction will be the number of hours that the employee was rostered to work on that day but did not work.

11. Minimum period

- 11.1 The minimum period of long service leave that may be taken at any one time is one (1) calendar week (exclusive of public holidays) except in the following situations:
- where an employee is recalled from long service leave; or
 - where an employee becomes ill and is granted sick leave instead of the long service leave already approved; or
 - where the employer gives an employee at least 3 months written notice for the employee to take long service leave in the event the employer and employee are unable to agree on the timing of the leave.

12. Calculation of leave available

- 12.1 Long service leave may be taken up to the total amount of long service leave due as at the date of commencement of the leave. Long service leave will be calculated by:
- determining the total period of the employee's continuous service, including leave credited for service; and
 - determining the total amount of long service leave entitlement appropriate to that period of continuous service; and
 - deducting from the total long service leave entitlement, any long service leave previously taken.
- 12.2 Notwithstanding clause 12.1, at the discretion of the chief executive an employee may be granted long service leave that accrues up to the end date of a period of long service leave. Nothing in this clause affects a qualifying period for long service leave.

13. Payment of long service leave

- 13.1 Payment of long service leave is based on the calculation of leave available (see clause 12.1 above) and the full pay to which the employee is entitled in his or her substantive position unless the conditions in the ministerial directive: *Higher Duties* apply.
- 13.2 Payment of long service leave in advance is at the discretion of the chief executive.

14. Public holidays occurring during long service leave

- 14.1 Long service leave is exclusive of any public holiday that falls during the period of the leave.
- 14.2 Long service leave will be extended by any public holiday falling on an employee's normal working day during the period of the leave. Any such days will be added to the end of the period of the leave, irrespective of the days on which they fall.

15. Extension of long service leave on a half pay basis

- 15.1 Long service leave may be granted on half pay for any purpose.
- 15.2 Granting of the leave on half pay is subject to departmental convenience, however requests for leave should not be unreasonably refused.
- 15.3 The standard conditions in this directive apply to half pay long service leave arrangements in the following way:

(a) Leave accrual

While on half pay long service leave, an employee will accrue all leave at the rate at which it was accruing immediately before the employee took half pay long service leave, i.e. leave will accrue as if the employee was engaged in their normal full-time or part-time employment.

(b) Leave debit

Periods of half pay long service leave will be debited on a full-time equivalent basis. For example, half pay long service leave for a period of 8 weeks will attract a debit of 4 weeks from full pay credits.

(c) Locality Allowance

For employees with an entitlement to locality allowance under an industrial instrument, the allowance will be paid on a proportionate basis for the period of the leave i.e. half the normal entitlement.

(d) Minimum period of the leave

Half pay long service leave must be taken for a minimum one (1) calendar week. The leave may be taken in conjunction with other forms of leave.

(e) Public Holidays

Half pay long service leave is exclusive of any public holiday that falls during the period of the leave. Half pay long service leave will be extended by any public holiday falling during the period of the leave. A public holiday that falls during a period of half pay long service leave will be paid at half pay.

(f) Sick leave in lieu

Where sick leave is granted after starting a period of long service leave on half pay, such sick leave granted in lieu shall also be at half pay.

16. Teachers and vacation periods

16.1 A vacation to which a teacher is entitled will not be counted as forming part of any period of long service leave taken by that teacher.

17. Sick leave instead of long service leave

17.1 Sick leave may be granted instead of long service leave already approved where:

(a) an employee becomes ill before the start of the long service leave and, before starting the leave, submits a written application for sick leave, supported by a medical certificate or other evidence of the illness acceptable to the chief executive; or

(b) an employee becomes ill after starting the long service leave and submits a written application for sick leave, supported by a medical certificate or other evidence of the illness acceptable to the chief executive, and the period of illness is at least 1 calendar week.

18 Cash equivalent of long service leave on termination

18.1 Subject to clauses 20 and 21, a person who ceases to be an employee and who, at the date of cessation, has an entitlement to long service leave under this schedule, is to receive a payment instead of the long service leave not taken.

18.2 The calculation of the amount of the payment is based on:

- the employee's entitlement to long service leave as at the date of cessation;
- less any long service leave previously taken; and
- the full-pay rate payable to the employee at the employee's substantive position at the date of ceasing employment, unless the conditions in the ministerial directive: *Higher Duties* apply.

19 Public holidays in relation to a cash equivalent of long service leave

19.1 A cash equivalent of long service leave also attracts the benefit of public holidays that would occur during the long service leave if it were granted immediately upon cessation of duty.

19.2 Where cash payments are being made for recreation leave and long service leave, only one type of leave is to be adjusted for public holidays and payment in respect of any public holiday may be made only once. The longer period of leave is to be used for this purpose. Regardless of which type of leave is used, public holidays during the recreation leave period must be paid at the higher duties rate if the employee was acting in a higher position on the last day of employment (section 14 of the *Industrial Relations Act 1999*).

20. Entitlement to a proportionate payment on termination after 7 years continuous service

20.1 An employee who has completed at least 7 years continuous service but less than 10 years continuous service is entitled to a proportionate payment for long service leave on the termination of the employee's service only if:

(a) the employee terminates his or her service because of:

- ill health or incapacity that is significant but does not qualify for ill health retirement; or
- a domestic or other pressing necessity¹; or

(b) the employer:

- dismisses the employee for a reason other than the employee's conduct, capacity or performance; or
- unfairly dismisses the employee.

21. Entitlement to a proportionate payment on termination after various periods of continuous service

21.1 Proportionate payments will be made to employees whose employment has been terminated in the following circumstances and they have completed the period of continuous service prescribed below:

(a) On termination of contract

Where the chief executive terminates the employment of an officer on a contract of employment under section 70 of the *Public Service Act 1996* and the termination is for reasons other than disciplinary action or retirement on grounds of mental or physical incapacity – **1 year of continuous service.**

(b) On action because of surplus

A public service employee whose position is deemed to be surplus to the department's needs because the department employs more employees than it needs for the effective, efficient, economical and appropriate performance of its functions; or the duties performed by the employee are no longer required – **1 year of continuous service.**

(c) Voluntary retirement

An employee referred to in section 86 of the *Public Service Act 1996* who:

- has elected to retire from the public service on turning 55; and
- who is not an employee who is deemed to be surplus to the department's needs; or
- is permitted to retire under a directive – **5 years continuous service.**

(d) Ill health retirement

A person referred to in section 85 of the *Public Service Act 1996*, who is retired on the grounds of mental or physical incapacity – **5 years continuous service.**

(e) On death

An employee who dies – **5 years continuous service.**

22. Payment on an employee's death

22.1 Where a long service leave entitlement is payable to an employee who has died, the payment will be made to the employee's legal personal representative.

23. Taking pro rata long service leave after 7 years

23.1 Subject to clause 4.1, employees are entitled to take pro rata long service leave after 7 years continuous service.

(Note: Provisions relating to payment on termination after 7 years continuous service are set out in clause 20).

24. Payment instead of long service leave to a continuing employee

24.1 Pursuant to the *Industrial Relations Act 1999*, an employee may be paid for all or part of an entitlement to long service leave instead of taking the leave or part of the leave if one of the following applies –

(a) If an award, certified agreement or industrial agreement applying to the employee provides for the payment of all or part of an entitlement to long service leave instead of taking the leave or part of the leave, payment may be made in accordance with the award or agreement, if the employer and employee agree by a signed agreement; or

(b) If no award, certified agreement or industrial agreement provides for the employee to be paid for all or part of an entitlement to long service leave instead of taking the leave or part of the leave, payment may be made only if the payment is ordered by the Queensland

¹ See Circular 4/01
Directive 5/07

Industrial Relations Commission on application by the employee.

The Commission may order the payment only if satisfied that the payment should be made –

- on compassionate grounds; or
- on the ground of financial hardship.

25. Conversion to hourly basis

25.1 Leave prescribed in this directive may be converted to hours using the formulae set out below for the purpose of accrual, granting and recording of leave.

25.2 Where leave entitlement is expressed in weeks

If an employee's long service leave entitlement is expressed in weeks, it may be read as if it were expressed in hours using the following formula:

$$LE=W \times WH$$

Where:

LE (leave entitlement) means the amount of leave, expressed in working hours to which the employee is entitled.

W (weeks) means the entitlement accrued in calendar weeks under this directive.

WH (weekly hours) means:
(a) the employee's weekly hours of work; or
(b) the average number of hours per week in the relevant industrial instrument for an employee during a pay period or other period that is reasonable in the circumstances.

25.3 Where leave entitlement is expressed in days

If an employee's long service leave entitlement is expressed in days, it may be read as if it were expressed in hours using the following formula:

$$LE=D \times DH$$

Where:

LE (leave entitlement) means the amount of leave expressed in working hours to which the employee is entitled.

D (days) means the entitlement accrued in calendar days under this directive.

DH (daily hours) means:
(a) the employee's daily hours of work; or
(b) the average number of hours per day in the relevant industrial instrument for an employee during a pay period or other period that is reasonable in the circumstances.

25.4 Where leave entitlement is expressed in weeks and days

Where an employee's long service leave entitlement is expressed in weeks and days, the conversion to hours of the weeks and days components should be calculated separately and then added to give the new entitlement.

For example, to convert an entitlement where the leave balance is **5 weeks and 3 days**:

(a) for a public service officer on 36.25 hours a week:

$$\begin{aligned}LE \text{ (weeks)} &= 5 \times 36.25 = 181.25 \\LE \text{ (days)} &= 3 \times 7.25 = \underline{21.75} \\ \text{Total entitlement (in hours)} &= 203 \text{ hours;} \end{aligned}$$

or

(b) for an employee on 38 hours a week:

$$\begin{aligned}LE \text{ (weeks)} &= 5 \times 38.00 = 190 \\LE \text{ (days)} &= 3 \times 7.60 = \underline{22.8} \\ \text{Total entitlement (in hours)} &= 212.8 \text{ hours.} \end{aligned}$$