



Victorians Now Entitled to Long Service Leave After 7 Years

From 1 November 2018, Victorian employees are eligible to take long service leave after seven years of continuous service, instead of the previous 10 years.

The rate of accrual has not changed, so after seven years the amount of leave available will be 6.1 weeks, versus 8.67 weeks after 10 years as previously.

Most Victorian employees will be covered by the changes, unless they are employed under a federal employment instrument (such as an enterprise agreement) or in an industry covered by long service leave legislation (such as the construction industry).

Other significant changes in the Act are as follows:

- Employees can take long service leave in single days previously the total amount available could be taken in a maximum of three periods
- Long service leave will accrue during all periods of paid parental leave and during the first 52 weeks of unpaid parental leave
- If unpaid parental leave exceeds 52 weeks, continuity of service is no longer broken (subject to a limit of 104 weeks for casual and seasonal employees)
- Where average work hours vary during the past 104 weeks of employment (previously 12 months), long service leave entitlement will be calculated at the highest average over the previous 12 months, five years or entire period of employment – previously it was calculated over previous 12 months or five years only)
- Enforcement powers for inspecting long service leave records, and penalties for non-compliance, have increased

Payment of untaken long service leave upon termination of employment after seven years' service or longer continues as before.

Employees can request to take twice their entitlement of long service leave at half their rate of pay, and you can only refuse such a request on 'reasonable business grounds' (defined in sec 3 of the Act). However, they cannot request half the leave allocation and double the pay.

What you need to do

- Update payroll records and programs for Victorian employees. Pay close attention to employees on parental leave to ensure their period of service continues to be calculated
- Notify long-serving employees and employees who apply for (or have taken) parental leave of the changes

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