

Effective 1 November 2018, the Victorian Government has made significant changes to the Long Service Leave (LSL) Legislation, making it fairer and more flexible for women, parents and carers. Below is a summary of the key changes:

- **Entitlement to LSL** - Employees were previously entitled to take LSL after 10 years of continuous service with one employer. This has now been reduced to 7 years.
- **Flexibility in LSL period** - Previously, LSL was required to be taken in one period, unless there was an agreement between the employer and employee to take the first 13 weeks in 2 or 3 separate periods. Employees can now request to take LSL in periods as short as only 1 day.
- **Continuous service/unpaid parental leave** - Previously, any paid and unpaid parental leave did not count towards an employee's continuous service period. The new legislation will now allow for any period of paid parental leave and an unpaid period of up to 52 weeks to be included in calculating an employee's continuous service period, hence LSL will accrue during these periods. Unpaid parental leave beyond 52 weeks will not count as continuous service but will not break the employees continuity of employment.
- **Re-employment following resignation** - If an employee resigns and then recommences employment with the same employer within 12 weeks, the employee's period of employment will be regarded as continuous for the purposes of calculating continuity of service.
- **Calculation of leave** - Under the new legislation, where an employee's working hours change during the 24 months immediately before LSL is taken, the normal weekly hours for LSL is the greater of the average weekly hours:
 - in the past 12 months; or
 - the last 5 years; or
 - in the last period of continuous employment before the employee starts LSL.

What does this mean for you as an Employer?

Under the transitional provisions of the Long Service Leave Act 2018 (Vic), these changes will take effect for any leave taken after 1 November 2018. Employers should ensure that attention is given to the following tasks:

- Reconfiguration of payroll systems to ensure LSL accruals and payments are calculated correctly.
- Reviewing and updating LSL policies, processes and manual calculators to reflect the changes.
- Ensuring all employee files are complete and correct to allow for correct calculation of future LSL payments.
- Updating records of any employees currently on parental leave and those who have taken leave in the past to ensure service period is correctly calculated for future LSL payments.
- Communicate these changes to your employees as required.



[Contact Us...](#) for advice about how these changes may impact you as an employer.

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