



CATHOLIC ARCHDIOCESE OF MELBOURNE

Portability of long service leave policy

27 March 2015

Purpose

1. The purpose of this policy is to promulgate the Archdiocese's *Portability of long service leave between diocesan, parish and education sectors* policy.
2. This policy is not a term of any contract, including any contract of employment. This policy may be varied by the Archdiocese from time to time.

Background

3. Long service leave is portable between employers in non-school parish settings (the parish sector) and those diocesan agencies whose employees are paid through the central diocesan payroll, excluding CatholicCare (the diocesan sector).
4. Long service leave is portable between Catholic school employers, the Catholic Education Office and some other Church bodies which have agreed to be part of their scheme (the education sector).
5. Long Service Leave is portable between all three sectors in respect to transfers which occur after 1 January 2008.

Portability rules

6. Transfers between the sectors shall, on application by the employee to both the former and new employer, be accompanied by the transfer of the accumulated long service leave provision (\$ amount), provided the employment fits the continuous employment criterion.
7. A break of less than 12 months constitutes continuous employment.
8. Employees must make requests for transfer of long service leave provisions within 13 months of the last day of service with the former employer. This rule also applies to employees seeking to have previous service recognised for purposes of meeting the qualifying period which may be requested where an employee has been paid out long service leave entitlements from their former employer, which employees who have served the initial qualifying period, are at liberty to choose.
9. Portability does not apply to persons who are retrenched, as the severance payment compensates for such a loss.
10. In the first year of employment with a new employer, an employee may only take long service leave to which he or she is entitled by agreement with the new employer and only in exceptional circumstances.
11. Approved leave without pay does not break the continuity of service. However, it will not be counted as part of the period of previous continuous service, except where this is provided by relevant legislation, an industrial instrument or common law contract.
12. Managing the different accrual and qualifying provisions
 - (a) Those in the parish sector accrue long service leave at the rate of 1/60th of service while those in the others accrue long service leave at the rate of 1/40th of service.

To accommodate this, a parish employee taking a position in the diocesan or education sector or vice versa, would have the accrued entitlement from the parish sector quarantined such that the rules of the receiving sector would apply in respect to service after the date of transfer.

- (b) The parish and the diocesan sector are eligible to take long service leave after 5 years while those in the education sector are eligible to take long service leave after 8 years.

To accommodate this, the rules of the receiving scheme would apply. Those moving to the education sector would have to wait until a combined period of 8 years is obtained before being eligible for leave, while those moving to the parish or diocesan sectors would become eligible after 5 years total service. The exception would be that in the case of a person from the parish or diocesan sector moving to the education sector who resigned before their eight years, in which case the previous entitlement would be honoured.

Specific provisions relating to long service leave portability between the parish sector and the diocesan sector.

12. It applies to transfers that occur after 1 February 2003.

Long Service Leave provision - parishes

13. All parishes are required to make full provision for long service leave in their accounts and retain the provision for 15 months after the employee has departed unless there is no reasonable prospect of future employment in the cohort.
14. Long service leave for parish employees accrues at the rate of 1 hour for every sixty hours of continuous service and may be taken after five years and every five years thereafter. Fully provision represents 1.66% of salary.
15. In the event that a parish is closed, long service leave provision moneys transfer to the parish assuming ongoing pastoral care.

Long Service Leave provision – diocesan agencies

16. The diocese makes full provision for long service leave in its accounts and retain the provision for 15 months after the employee has departed unless there is no reasonable prospect of future employment in the cohort.
17. Long service leave for diocesan employees accrues at the rate of 1 hour for every forty hours of continuous service and may be taken after five years and every five years thereafter. Fully provision represents 2.5% of salary.

Common rules applying to the diocesan and parish schemes

18. For those whose service has been at a variety of employment hours per week over the entitlement period, the payment is made on the average employment hours per week

over the leave period or at the number of employment hours per week immediately prior to the taking of the leave, whichever is the greater. However, if an employee's normal weekly hours changed in the twelve months before taking leave (or before the employment ending), payment will be made on the greater of the average weekly number of hours worked by the employee in the 12 months before taking leave (or before the employment ending); and the average weekly number of hours worked by the employee in the five years before taking leave (or before the employment ending).

19. For casual employees, payment during the period of leave and payment in lieu on termination shall be based on the greater of the average weekly number of hours worked by the employee in the 12 months before taking leave (or before the employment ending); and the average weekly number of hours worked by the employee in the five years before taking leave (or before the employment ending).
20. Unpaid leave of any nature for a period greater than three months is not counted as continuous service for the purpose of leave entitlements. While employees on unpaid leave for a period greater than three months do not accrue annual, personal and long service leave, their entitlements are not decreased and are reactivated upon their return to work.
21. Long Service Leave does not accrue during Parental Leave. However, Parental Leave will not break an employee's continuity of service for the purposes of calculating Long Service Leave. Furthermore, in determining eligibility for Long Service Leave a period of parental leave will be treated as if it were a period of service. For example, an employee who works for four years and then takes Parental Leave for one year, is at the end of the fifth year, eligible for Long Service Leave based on four years of accrued entitlement
22. To accommodate the different accrual provisions, an employee taking a position in the other, would have the accrued entitlement from the departing sector quarantined such that the rules of the receiving sector would apply in respect to service after the date of transfer.
23. The following two examples, which show the interaction where there is a mixture of part and full time service, apply.
 - a. John Brown who worked full time at a parish for 4 years is appointed to a half time diocesan position and applies to have his long service leave provision transferred across. His parish accruals are 131.7 hours (38 hours x 52 weeks x 4 years x 1/60). Twelve months after starting his diocesan role, he applies to take long service leave. He is granted 156.4 hours of long service leave ((19 hours x 52 weeks x 1 year x 1/40) + 131.7 hours) which for a half time person is 8.2 weeks leave at his rate of pay at the time of taking his leave.
 - b. Mary Smith who worked half time at a parish for 4 years is appointed to a full time diocesan position and applies to have her long service leave provision transferred across. Her parish accruals are 65.9 hours (19 hours x 52 weeks x 4 years x 1/60). Twelve months after starting her diocesan role, she applies to take long service leave. She is granted 115.3 hours of long service leave ((38 hours x 52 weeks x 1 year x 1/40) + 65.9 hours), which for a full time person is 3 weeks leave at her rate of pay at the time of taking her leave.

Additional information on long service leave

Information on the minimum long service leave provisions of the Long Service Leave Act 1992 is available from Industrial Relations Victoria's web site. A Comprehensive Guide to the Victorian Long Service Leave Act can be located at http://www.business.vic.gov.au/busvicwr/assets/main/lib60051/12_lslcomprehensive.pdf.

Parish employees are entitled to more generous provisions which can be located at http://www.cam.org.au/Portals/0/Documents/150040-1_Conditions-of-Employment-for-parish-employees-2011.pdf

and at http://www.cam.org.au/Portals/0/Documents/150042-1_Conditions-of-employment-for-pastoral-associates-2011.pdf for Pastoral Associates.