



6 December 2024

Portable Long Service Leave Regulation 2024

Feedback Submission

Dear Portable Long Service Leave team,

The Multicultural Disability Advocacy Association (MDAA) welcomes the opportunity to provide feedback on the NSW Government's development of the draft Community Services Sector (Portable Long Service Leave) Regulation 2024.

MDAA is the peak body in NSW for all people with disability (PWD) and their families and carers, with a particular focus on those from a culturally and linguistically diverse (CALD) and non-English Speaking (NES) background with disability.

MDAA works within a cultural sensitivity framework to ensure the safety, comfort, and well-being of our diverse consumers, and provide support in the form of Individual Advocacy, Systemic Advocacy, NDIS Appeals and Reviews.

Like many non-profit organisations and those funded through Government agencies, part-time and short-term contracts are common, often leading to the restriction of accumulated long-service leave. MDAA supports the adoption of portable long-service leave as it would incentivise the retention of workers in the sector, forgoing the high turnover rates and transition to other sectors that the industry experiences.

In review of the draft regulation, MDAA would like to provide the following feedback as based on the 'have your say' open survey:

#### **4.10 Service credit for breaks in engagement periods**

Service credits for breaks in engagement not exceeding 3 months should be revised with the following circumstance taken into consideration:

Circumstance to be considered include instances where the worker is undertaking a Social Work degree or a degree or certificate in similar nature requiring a period of leave from work to complete full time mandatory placement for the completion of the degree. Particularly within today's economic climate, unpaid full-time placement of a minimum of 1000 hours (500 hours = 6 months) for social work students. Students are either overworking to make ends meet, forgoing necessities such as nutritious food and health care, or are being pushed away from the profession due to the excessive amount of unpaid labour. Master of Social Work students, for example, often already work within the non-profit and community sector, therefore should also be entitled to receiving pro rata

payments for the duration of their placement as they experience financial hardship from having to take a leave of absence at work. With such regulations, students can be more incentivised to continue their education and gain the necessary qualifications needed to fill the labour gap within the community and allied health sectors.

This section must be revised to take into account the continuing education and upskilling of workers within the industry which would enhance their ability to provide services to the community and enhance their prospects of work performance.

#### **4.12 Interest rate on overdue long service leave levy**

Given that many community organisations in the sector are small, grass-roots organisations, overdue levies set at 6% higher than the cash rate could put them in devastating positions. Comparatively, larger organisations with higher rates of funding will be less affected by this rate if they are served with an overdue levy. Larger organisations can afford to make mistakes, whereas smaller organisations cannot and should not make any mistakes.

MDAA strongly supports that the draft regulation should provide smaller organisations alternative reporting frequencies, according to the size of the organisation. MDAA defines a smaller organisation as employing under 20 full time employees.

#### **4.13 Pro rata payments instead of long service leave in circumstances of injury, illness or death**

MDAA supports the availability of pro rata payments for workers with 5 years of service experiencing financial hardship, medical retirement, injury, illness, or death.

Similarly, a worker with less than 5 years of service facing medical retirement should be able to receive a pro rata cash out.

The development of the Community Services Sector (Portable Long Service Leave) Regulation 2024 is highly anticipated and strongly supported by organisations in the sector. The scheme has many foreseeable positives including worker retention within the industry, lower turnover rates, and better supported and understood workers, all which would improve service offerings of all organisations.

Yours Sincerely,

Marwah Almomani

Systemic Advocate