

# Submission to the consultation on the Portable Long Service Leave for Community Services in NSW



NSW Council of Social Service

14 May 2024

Final Submission

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 **ncoss**  
NSW Council of Social Service

## About NCOSS

NSW Council of Social Service (NCOSS) is the peak body for non-government organisations in the health and community services sector in NSW. NCOSS works to progress social justice and shape positive change toward a NSW free from inequality and disadvantage. We are an independent voice advocating for the wellbeing of NSW communities. At NCOSS, we believe that a diverse, well-resourced and knowledgeable social service sector is fundamental to reducing economic and social inequality.

## Acknowledgement of Country

NCOSS respectfully acknowledges the sovereign Custodians of Gadigal Country and pay our respects to Elders, past, present and emerging. We acknowledge the rich cultures, customs and continued survival of First Nations peoples on Gadigal Country, and on the many diverse First Nations lands and waters across NSW.

We acknowledge the spirit of the Uluru Statement from the Heart and accept the invitation to walk with First Nations peoples in a movement of the Australian people for a better future.

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## Introduction

NCOSS thanks the Department of Customer Service for the opportunity to provide feedback on the draft Portable Long Service Leave Scheme for Community Services in NSW (“the Scheme”).

NCOSS has responded to each of the consultation questions noted in the Regulatory Impact Statement, available on the consultation website.

NCOSS believes the introduction of a Portable Long Service Leave Scheme in NSW is a valuable reform that will support the sustainability of the community services sector. NCOSS has been calling for a portable long service leave scheme to be introduced for several years<sup>1</sup>.

To inform this submission, NCOSS has held discussions with multiple members and sector organisations, including other peak bodies. NCOSS also issued a survey to members (‘NCOSS PLSL Member Survey’), capturing the perspectives of almost 70 members on the suggested design. To guide our responses, NCOSS considered that the Scheme design should:

1. **Support the sustainability of the sector**, particularly as a policy response to the ongoing and worsening workforce challenges faced by the community services sector (e.g. the Scheme incentivises workers to join and remain in the sector)
2. **Minimise unnecessary administrative burden** for impacted organisations, particularly smaller non-government organisations that are already under immense pressures (driven by a combination of administrative, funding, reporting, cost and workforce issues).
3. **Minimise the financial costs of the Scheme** on NGOs, including any unfunded increase in employee expense (i.e. the proposed Scheme Levy does not substantially exceed the existing Long Service Leave payments of organisations, or funding is increased to cover the cost)

NCOSS takes a holistic view, and our feedback seeks to strike a balance across these three principals wherever possible.

Our most important observations are as follows:

- there is broad support in the sector for the overall design of the Portable Long Service Leave scheme, particularly the eligibility criteria, worker entitlements and transition approach
- NCOSS and its members are concerned that the administration requirements are excessive, particularly for smaller NGOs, and
- The proposed levy of 1.7% is far higher than the average annual Long Service Leave payments made by survey respondents in recent years.

Our key recommendations are:

1. **The administrative burden on NGOs should be reduced.** The reporting obligations should balance the needs of the Long Service Corporation for timely information, with the administrative burden placed upon sector organisations. NCOSS recommends that the proposed frequency of the returns be reviewed. A less onerous requirement should be considered through consultation with the sector, which may include a tiered approach based

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<sup>1</sup> NCOSS & Impact Economics and Policy (2022), *A Long Way to the Top: career opportunities and obstacles for women in the social services sector in NSW, Sydney*

on organisational size as noted in the Regulator Impact Statement (e.g. smaller organisations only provide annual returns). These updated requirements could be updated in the draft Bill or implemented through regulations.

2. **The NSW Government must increase sector funding to cover the additional cost of the Portable Long Service Leave Scheme levy.** If this is not done, the NSW Government is forcing NGOs to absorb the additional cost, when it is facing immense cost pressure driven by rising operational costs and a growing divide between funding levels and unmet demand for services from NSW communities. NGOs will be driven to cut other workforce investments such as learning and development, draw on their (usually very small) reserves, or renegotiate contract KPIs. Each of these options will increase the pressure on sustainability of the sector and will increase the risk of poor community and sector outcomes. Failure to cover the increased costs risks the sector's ability to sustainably provide high-quality community services, which undermines the very purpose of the Portable Long Service Leave Scheme.
3. **The transition period must include a substantial investment in awareness raising, education and transition support.** Based on sector consultation, there are high levels of uncertainty regarding the day-to-day functioning of the Scheme. This increases the compliance risk faced by NGOs, and the risk of workers missing out on their entitlements. To respond to this, the Long Service Corporation must invest in a comprehensive awareness raising and education program for the sector. This will require targeted approaches for First Nations organisation as well as regional/rural/remote organisations and culturally and linguistically diverse organisations.

Further detailed recommendations are outlined below.

Finally, while NCOSS is supportive of the Scheme, the NSW Government must do much more to bolster the sector's sustainability. The Scheme should help to retain workers in the sector, but other reforms will have an even greater impact, such as full funding of existing programs, effective indexation, and a planning approach that adequately responds to population growth and unmet need.

For any questions related to this submission, please contact Ben McAlpine, Director of Policy & Advocacy, at [ben@ncoss.org.au](mailto:ben@ncoss.org.au).

## NCOSS Responses to Consultation Questions

### Eligibility and Scope

**1. Tell us what you think about the types of services we have proposed covering. Do you think that the services are clear, comprehensive, and appropriate**

NCOSS supports the types of services proposed and the approach taken. Other approaches considered, such as using the SCHADS Award to drive eligibility, risks being overly restrictive.

NCOSS notes that the Community Services Sector Committee (“the Committee”) will also play an important role here. Should the Long Service Corporation refuse registration or recognition of service based on the deemed eligibility of the service or employer, an appeal can be made to the Committee. This will act as a check on the eligibility of employees, to ensure that it is as inclusive as possible.

**2. The Bill covers all workers who deliver community services and all employees if the employer’s main purpose is to deliver covered services. Do you support this model?**

NCOSS supports this model, highlighting the following:

- This approach reduces the administrative burden on organisations that have their main purpose as one of the covered services. If only front-line workers were included, for example, these organisations would be required to invest in costly administrative processes to register and report only those employees in the scheme. This would be particularly complex for those employees that are in split roles, which is common in the sector.
- This approach avoids unintended consequences, such as creating a disincentive for career progression to management roles, if non-frontline roles are excluded from the scheme.
- This approach ensures that the scheme covers important back-office roles, including finance, human resources and technology. The sector is struggling with workforce challenges across all roles, meaning it is important that the scope is as broad as possible across various role types.
- Connecting eligibility with the worker and the work being performed (i.e. community services) ensures that all community service workers benefit from the scheme, irrespective of the main purpose of their employer.

The results of the NCOSS PLSL Member Survey demonstrate that almost 60% of respondents are satisfied by the overall design of the scheme (i.e. eligibility criteria, worker entitlement and transition approach) – see Chart 1 below.

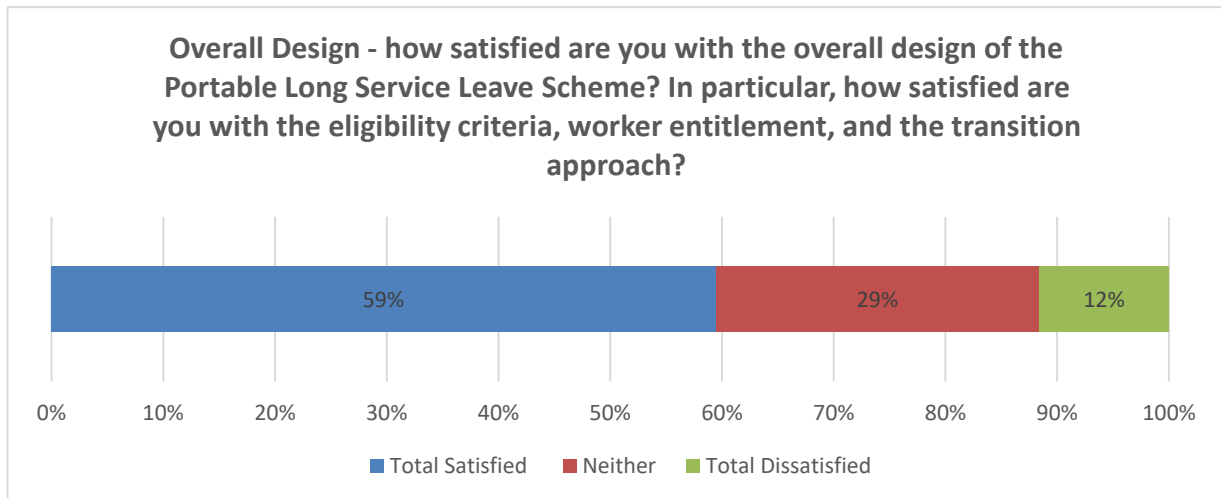


Chart 1: NCOSS PLSL Member Survey – Q1: Overall Design, n= 69

NCOSS notes that the model will create some additional administrative complexity for those employers that do not have their main purpose being covered by the scheme, but employees in roles that are covered. However, we acknowledge that the Scheme needs to strike a balance when it comes to eligibility.

NCOSS also notes the exclusion of aged care, early childhood education and care, and health care services. Particularly for aged care and early childhood education and care, the Regulatory Impact Statement describes these as an “initial exclusion”. NCOSS understand this to mean that further research will be performed by the Department, to determine whether this Scheme, or a standalone scheme, would be beneficial. NCOSS supports increasing the breadth of the scheme in future to take a ‘human services’ view on eligibility and therefore including aged care, early childhood education and care, and health care services.

Finally, NCOSS notes that employers will need to self-assess coverage and that there is no legislative test regarding ‘predominant purpose’. To reduce the risk of unintentional error, this will be an important element of the communication requirements in the transition process, ensuring that organisations understand the requirements and are provided with any required support (see further detail in Question 25).

**3. Do you think the definitions for workers, employees and employers are appropriate?**

NCOSS believes the definitions of workers, employees and employers are appropriate.

**4. Contractors will be able to opt-in to the scheme, with special provisions that apply around leave and payments. Do you agree with this approach?**

NCOSS agrees with this approach, as it supports the breadth of the scheme for workers. It also avoids workers being excluded from a scheme should they end an employment arrangement to become a contractor for a period of time.

**5. Some directors, partners, and trustees will be excluded from the scheme, along with public sector employers and workers. Do you agree with this approach**

NCOSS has no comment on this question, as we have insufficient data to inform an evidence-based view.

### Long Service Leave

**6. The Bill proposes that workers will receive 6.1 weeks of paid leave after 7 years of employment. Do you support this?**

NCOSS broadly supports this proposal.

The weekly accumulation is the same as currently available under the *Long Service Leave Act 1955*, but with a shorter vesting period (i.e. 7 years rather than 10 years). This will lead to workers being eligible earlier than under the current scheme, which will support workforce retention and sector sustainability. This earlier access to leave is further boosted by the proposed 12-month gift.

NCOSS also notes that the proposal of 6.1 weeks of paid leave after 7 years of employment is in line with the schemes in Victoria and Queensland.

However, the drawback of this model is that it increases the cost of the Levy. With reference to Table 1 (Page 40) of the Regulatory Impact Statement, the annual difference between a Levy of 1.58% and 1.7% equates to:

- for an organisation with 15 workers: \$1,616.34
- For 100 workers: \$15,954.84
- For 250 workers: \$26,591.40.

This will have a greater impact on the cash flow and overall expenditure of these organisations. NCOSS encourages the Department to carefully consider the responses from other organisations to better understand the implications of this design element. NCOSS also draws the Department's attention to our response to Question 15, regarding the Levy rate of 1.7%.

**7. Should a gift of service be provided, and should it be 12 or 6 months?**

As noted in the Regulatory Impact Statement, the purpose of a gift of service is to "to incentivise registration and recognise workers for their tenure, as there will be no recognition of service completed before the scheme begins". NCOSS supports this goal.

NCOSS supports a 12-month gift of service that is funded by the NSW Government. NCOSS's perspective on whether the gift should be 12 or 6 months is connected with the response to Question 6 – the gift increases the cost of the levy, which must be funded by the NSW Government.

**8. Do you agree that workers who reach and pass the 7-year threshold should accrue a pro rata entitlement for each extra year of service? If not, what should apply?**

NCOSS supports this proposal, as it supports sector sustainability by acting as an incentive for employees to remain in the workforce. It is also administratively simpler than the approach used in Victoria and Queensland (daily accruals).

**9. What do you think should count as recognised service? Do you agree that the model should be based on time employed, and not hours or days worked?**

NCOSS supports the proposal that the model be based on time employed. Utilising hours or days worked would unfairly prevent part-time employees from accessing leave, which is very common in the sector.

**10. How long should workers be allowed to work outside the sector or take a break without losing their registration and service credits?**

NCOSS supports the proposed break period of 4 years. A shorter period (e.g. 3 years) may incentivise workers to stay in the sector, but the lack of data in this space risks unintended consequences (as noted in the Regulatory Impact Statement). Women make up 75% of the sector workforce<sup>2</sup> and take on the majority of caring responsibilities; this makes it more likely that they will take a break from the sector. This break period also provides workers with the opportunity to work in adjacent sectors (e.g. government roles); this can be beneficial if they return to the sector, bringing different perspectives, networks and experiences.

**11. Do you agree that employees and contractors should generally need to take leave in order to receive their entitlement? If not, in what other circumstances should they be able to receive a payment without taking leave?**

NCOSS agrees that employees and contractors should generally need to take leave in order to receive their entitlement. As noted in the Regulatory Impact Statement, taking leave is an important part of protecting workers from burn-out and improving wellbeing, which directly supports the sustainability of programs, organisations and the sector.

The circumstances outlined in the Bill allowing workers to receive payment in lieu of taking time off are reasonable.

**12. What protections, if any, do you think are needed for workers or employers in relation to scheduling and taking leave?**

The requirement to take leave within 6 months of reaching an entitlement, which can be extended by mutual agreement, is reasonable. To avoid confusion, NCOSS recommends that s51(1)(a) be amended to refer to the equivalent section of the *Long Service Leave Act 1955* – 4(3)(a) – that leave should be taken “having regard to the needs of the employer’s establishment”.

**NCOSS recommendations**

1. That the Department consider referring to s4(3)a of the *Long Service Leave Act 1995* or amending s51(1)(a) to ensure that long service leave is taken within 6 months of reaching an entitlement, but is done with regard to the employer’s operational needs.

<sup>2</sup> NCOSS & Impact Economics and Policy (2022), *A Long Way to the Top: career opportunities and obstacles for women in the social services sector in NSW, Sydney*,



**13. Payment for leave will be based on an employee’s highest weekly average wage in the most recent 2, 4, 20, or 40 quarters. Do you think the formula is appropriate?**

NCOSS supports this formula, which maximises the benefit for the individual worker.

**14. The formula for payments to contractors is based on levy contributions and interest. Do you think this will incentivise contractors to opt-in to the scheme?**

NCOSS has no comment on this question, as we have no data to inform an evidence-based view.

**Levy and Funding**

**15. Do you think that a levy rate of 1.7% will be a fair cost for the benefits that the scheme will provide for workers and the sector?**

It is difficult to assess whether the levy rate of 1.7% will be a fair cost for the benefits that the scheme will provide workers and the sector. For a community service organisation, there are various potential benefits to the introduction of the Scheme, but many are intangible or difficult to attribute (e.g. improved morale; improved workforce availability).

Irrespective of whether the levy rate of 1.7% is a fair cost, it is important to understand how it compares to existing rates of Long Service Leave payments, and how the increased cost will be funded.

In the NCOSS PLSL Member Survey, only 33% of respondents were satisfied with the Levy rate.

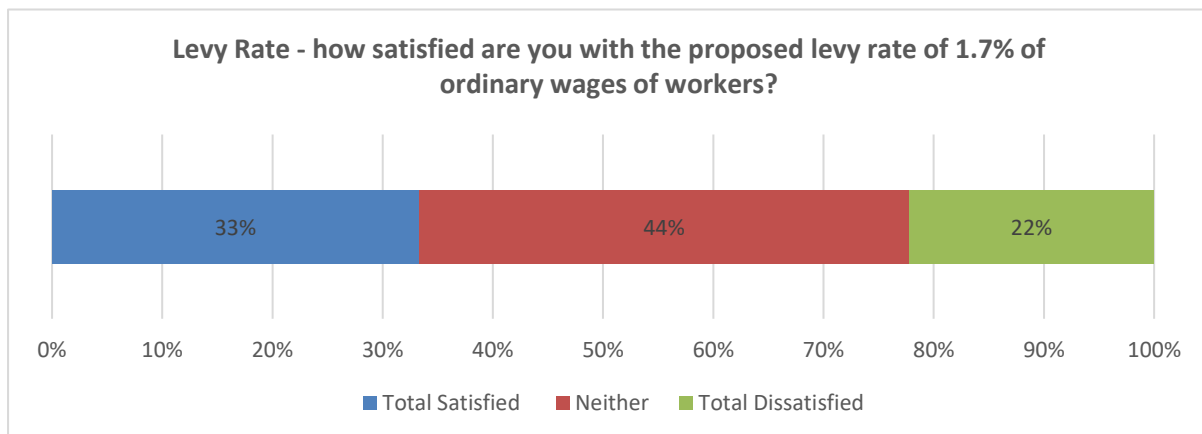


Chart 2: NCOSS PLSL Member Survey – Q3: Levy Rate - how satisfied are you with the proposed levy rate of 1.7% of ordinary wages of workers?

Comments included:

- *“how are we going to afford this?”*
- *“Neutral as this will depend on whether Government funding will be adjusted to include the increased cost to wages and staffing”*
- *“Is this amount going to be added in by our funding programs to cover the levy”*

In the same survey, NCOSS gathered two sets of data from respondents – actual Long Service Leave payouts in the past 5 Financial Years, and ordinary wages paid in the same periods. The results are

outlined in the table below, with NCOSS calculating the LSL payments as a percentage of ordinary wages.

	FY2023	FY2022	FY2021	FY2020	FY2019	5-year Average
<b>Actual LSL Paid out (Average, \$)</b>	22,885	13,398	8,547	7,296	10,280	<b>12,481</b>
<b>Ordinary Wages (Average, \$)</b>	2,080,717	2,321,505	1,553,400	1,527,283	1,295,326	<b>1,755,646</b>
<b>Rate (%)</b>	<b>1.1%</b>	<b>0.6%</b>	<b>0.6%</b>	<b>0.5%</b>	<b>0.8%</b>	<b>0.7%</b>

Table 2: NCOSS PLSL Member Survey – Calculated Rates of Long Service Leave Payments, n=18

These results demonstrate that the average annual amount of Long Service Leave paid out by respondents is 0.7%. The Regulatory Impact Statement noted on Page 40 that:

*[the initial levy] will not be an entirely new cost as employers have long service obligations. However, the amount may increase particularly initially as the scheme is set up.*

The results of the NCOSS PLSL Member Survey indicate that this is accurate, but highlights that the initial increase in cost could be substantial – potentially 1% of ordinary wages.

NCOSS acknowledges that the 1.7% levy may reduce over time, once the Scheme’s asset reserves are built up. However, based on consultation discussions with the Department, the current rate is expected to remain for a long period of time, potentially up to 10 years.

NCOSS also acknowledges that the levy will not result in a significant increase in costs for some organisations if they are currently setting aside LSL provisions at 1.67%. However, the NCOSS PLSL Member Survey and member consultation suggests this is not the common experience of NGOs, particularly smaller organisations.

**Without additional funding, this presents a significant unfunded financial impost on NGOs.** For an organisation that incurs a wages cost of \$2 million, this would increase their costs by \$34,000; this is substantial, particularly to small organisations that are heavily reliant on government funding and are already under immense financial pressure.

**NCOSS recommendations**

2. The NSW Government must commit to increasing funding across the sector to account for the additional cost of the Portable Long Service Leave Scheme Levy. This will require additional research by the Government to identify the required increase, and whether it should be applied across-the-board or requires a more targeted approach.

**Registration, records and returns**

**16. Do you think the proposed thresholds for suspension and cancellation of registration are appropriate? If not, what should be different?**

The threshold for cancellation of registration is appropriate.

However, NCOSS notes that the circumstances for suspension are not explicitly articulated in the Bill, but will be articulated by regulation. The Regulatory Impact Statement states that special cases may include “pregnancy, serious illness, or caring responsibilities”. These are all appropriate. The regulations should ensure that a combination of these cases can be used to justify a suspension (e.g. 2 years due to pregnancy and caring, followed by 2 years of serious illness).

NCOSS notes that the Regulatory Impact Statement indicates the regulations will be subject to further consultation, which is important.

**17. Do employers already keep this information? If not, what types would be new?**

NCOSS members report that this information should already be kept by employers.

**18. How do you think the administrative obligations will affect employers, and will the impact vary? How could the design of the scheme help address these impacts?**

Social sector organisations are already under significant strain when it comes to sufficiently covering their costs, including administrative and corporate support, in an increasingly complex environment<sup>3</sup>. NCOSS members report that this is particularly true for smaller organisations, such as local neighbourhood centres.

The NCOSS PLSL Member Survey demonstrates that the sector is concerned by the proposed administrative obligations, with only 1 in 3 respondents stating that they are ‘satisfied’ or ‘very satisfied’ by the proposed approach.

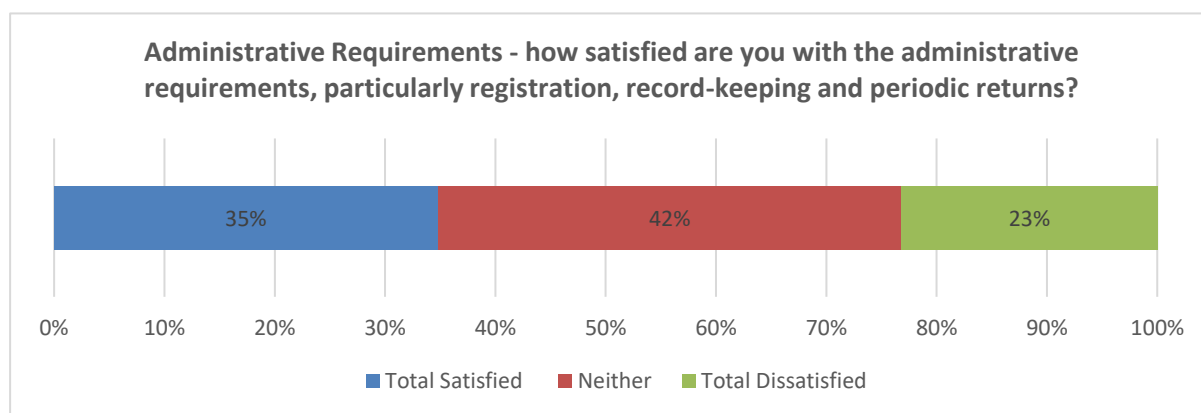


Chart 2: NCOSS PLSL Member Survey – Q2: Administration Requirements

Comments included:

- *“at least initially I can see a higher administrative burden for services. We will still be managing entitlements under the old LSL system as well as reporting under the new portable LSL system, and providing education for our staff etc”*
- *“We'd be looking for ways to make it more streamlined and easier to use. for such a small organisation, it's a lot of work for an already overworked cohort”*
- *“The amount of additional administration placed on the service provider is quite significant.”*
- *“I think it will simply add to the already onerous administration requirements that organisations have”*

<sup>3</sup> NCOSS, *The High Cost of Doing Business – Administrative and Management Overload in Smaller NGOs*, 2022

- *“There is an increased responsibility on services/ employers to provide information to the LSC that is over and above their current administrative requirements”*

NCOSS recommends that the administration obligations be redesigned. This may be achieved depending on the feedback received through this consultation process, or it may require further consultation with the sector.

As noted in the Regulatory Impact Statement, flexible reporting obligations could be considered, such as a tiered structure (e.g. based on revenue). NCOSS would support this approach, designed in consultation with the sector and established through regulations. This would ensure that smaller organisations, with less organisational capacity than larger organisations, are not unduly impacted by the additional compliance obligations.

Further, NCOSS is concerned by the upfront costs that will be incurred by NGOs to prepare their organisation for the new Scheme (e.g. new procedures, technology changes, staff training). This could be ameliorated depending on the support offered by the LSC during the transition period, or it may require funding from the NSW Government to ensure organisations are prepared for the Scheme’s commencement.

#### NCOSS recommendations

3. The administration requirements should be redesigned. A tiered approach to reporting obligations should be considered in consultation with the sector, and implemented through regulations. The reporting obligations should balance the needs of the Long Service Corporation for timely information, with the administrative burden placed up sector organisations, particularly smaller NFPs.
4. The NSW Government should establish a small grants program to support NGOs to fund the cost of the initial transition, including updates to procedures, technology and learning and development.

## Relationship with other laws

### 19. Are there any examples or complexities linked to work delivered in border communities or across jurisdictions that you think the scheme should account for?

NCOSS is not aware of any issues, however the short consultation period has not allowed NCOSS to test this with member organisations.

## Scheme governance, compliance and enforcement

### 20. Do you support the functions and role of the committee? Do you support adding an initial LSC review process, or are there any other adjustments you think are needed?

NCOSS supports the overall functions and role of the committee, noting that the appeal process and timeframes are as yet undesigned. NCOSS expects that Department will consult the sector when designing the regulations regarding the appeal process, timeframes and other key functions

NCOSS would support providing the LSC with the authority to handle minor appeals, so long as the worker or employer still has the ability to appeal to the Committee should they not be satisfied with the LSC's reviewed decision.

#### NCOSS recommendations

5. The Department should consult the sector when designing the regulations that will direct the Committee's detailed functions, including the appeals process.

### **21. Do you think the proposed constitution of the committee is balanced and appropriate to administer its functions and role?**

NCOSS supports the proposed constitution of the Committee, noting that the details of the Committee's functions have yet to be designed. As noted above, NCOSS expects that the details of the Committee's functions will be subject to consultation with the sector.

### **22. Are there any other compliance and enforcement options that you think the Bill should include, or gaps that have not been identified?**

NCOSS agrees that the Scheme should be supported by a robust compliance and enforcement framework. However, NCOSS notes some concerns regarding the draft Bill.

#### **a) Focus on Education**

The Regulator Impact Statement says that when it comes to compliance, "[Education] will be a key focus, especially when the scheme starts". It is imperative that the LSC takes this approach, particularly for smaller organisations that have minimal administrative support. NCOSS would be very concerned if the LSC did not prioritise education as its primary approach to compliance.

NCOSS recommends that the regulations governing the LSC's approach to compliance and/or its organisational policies, explicitly stipulate that Education is always the starting point for any compliance action, and should be prioritised at both an organisational and sector level.

#### **b) Power to enter a premise**

NCOSS is concerned by the powers being granted to Inspectors. In particular, Section 78(2) provides an Inspector the power to enter a premise "with the use of reasonable force". This is excessive; it suggests a scenario where an Inspector will kick down the front door of a local neighbourhood centre to access employee files. NCOSS notes that there is no equivalent power in the *Long Service Leave Act 1955*.

NCOSS recommends that this section be removed from the Bill. Section 79 allows an Inspector to obtain a search warrant, if that is required, which would be sufficient.

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**NCOSS recommendations**

6. The regulations governing the LSC’s approach to compliance should explicitly stipulate that Education is the prioritised approach to compliance, at both an organisational and sector level. Otherwise, this should be formalised as part of the LSC’s organisational policies related to compliance action.
7. Section 78 should be removed from the Bill, or amended so that Inspectors do not have the power to enter a premise “with the use of reasonable force”.

**23. Do you support the confidentiality and disclosure provisions in the Bill?**

NCOSS has no concerns regarding the confidentiality and disclosure provisions in the Bill.

**24. Should third parties be able to report non-compliance to the LSC?**

NCOSS has no comment on this question, as we have no data to inform an evidence-based view.

**Transition & implementation****25. Do you think the suggested one-year transitional period is sufficient for the sector to understand and prepare for the commencement of the scheme?**

The one-year transitional period may be sufficient, providing that the following three criteria are met:

**1. The Long Service Corporation must invest in substantial awareness raising, education and transition support**

Consultation with the sector indicates that there are high levels of uncertainty regarding the day-to-day functioning of the Scheme. In particular, NCOSS members expressed confusion around the eligibility / registration rules, as well as concerns around the administration requirements (see below). This lack of clarity increases the compliance risk faced by NGOs, and the risk of workers missing out on their entitlements.

To respond to this, the Long Service Corporation must invest in a comprehensive awareness raising and education program for the sector. This will require targeted approaches for regional/rural/remote organisations, culturally and linguistically diverse organisations and First Nations organisations. A key issue that will need to be addressed early in the transition period is the question of eligibility, and how organisations can accurately self-assess.

Additionally, NCOSS recommends that the Long Service Corporation take a leadership role in areas that are common across the sector. For example, the LSC should liaise with key accounting software providers (e.g. MYOB; Xero) to automate reporting functionality so that it is available to all organisations, rather than requiring hundreds of individual organisations to design their own reports or pay for bespoke reporting requirements.

If the LSC is not confident that it can deliver a comprehensive awareness raising and

education process in 12 months, NCOSS recommends the transition period be extended as required by the LSC.

## **2. Administration requirements are re-designed**

As noted above, one of NCOSS's key recommendations is the redesign of the administration requirements, balancing the data needs of the LSC with the administrative burden on NGOs. A tiered approach to reporting, for example, would significantly support NGOs to ensure they are prepared for the Scheme's commencement, and minimise the indirect financial costs of the Scheme.

## **3. Sector funding is increased to cover the Levy**

No matter the length of the transition period, the sector will not be prepared for the commencement of the scheme if the increased cost is unfunded. It is critical that the NSW Government increase funding to the sector; not doing so risks the sector's ability to sustainably provide high-quality community services, which undermines the purpose of the Portable Long Service Leave Scheme.

## **Impacts**

### **26. Are there any additional benefits that you think the scheme will provide?**

NCOSS and its members have not identified any additional benefits.

### **27. Do you, or employers, currently set aside funds for long service leave? If so, how?**

NCOSS members report that they do set aside funds for long service leave, however the amount varies substantially. See Question 15 for further commentary on provisioning and actual payments.

### **28. What effect will the proposed levy have on you, or employers generally?**

See Question 15.

## **Other feedback**

### **29. Do you have any other feedback on the proposed scheme? If so, what is the issue and how do you think it could be addressed in the Bill?**

Members have questioned how the scheme will interact with existing organisational Long Service Leave policies that exceed the proposed Scheme (e.g. those resulting from Enterprise Bargaining Agreements). We understand this has been raised with the Department and that further advice is being sought.