



EEJSC Submission No.37  
Received 7 August 2015



WE SPEAK FOR  
AIR CONDITIONING

28 July 2015

30 Cromwell Street  
Burwood Vic 3125  
PO Box 309  
Burwood Vic 3125  
T: 03 8831 2800  
F: 03 9888 8459  
[www.amca.com.au](http://www.amca.com.au)

## **Inquiry into Portability of Long Service Leave Entitlements**

### **Submission**

The Air Conditioning and Mechanical Contractors' Association (AMCA) is the pre-eminent employer association representing and promoting the air conditioning and mechanical services industry along with the well being of its members. AMCA acts as the industry's voice in dealing with governments at all levels, other construction and service industry groups, and the unions.

AMCA exists to serve and represent those companies who are engaged in any aspect of the air conditioning and mechanical services industry. It is the only industry and employer Association that is exclusively dedicated to serving the needs of this vital industry.

AMCA companies operate in the Building & Construction Industry which already has a portable Long Service Leave (LSL) scheme in place called ColInvest. All of our member companies in Victoria are contributors to the ColInvest scheme. ColInvest is regulated by an Act of Parliament. To my understanding there is also portable LSL operates in Victorian Local Government, but not through a different scheme than ColInvest.

AMCA understands that there are discussions between organisations in other States such as ColInvest to explore if there is any appetite for a national scheme. My understanding of the proposal is that it would apply only to the Building and Construction Industry.

The current contribution with ColInvest is 2.7% of an employee's wages, which on the current Enterprise Agreement wage is \$40.50 per week. The introduction of the contribution several years ago has cost the employers a lot of money and scheme is now more expensive compared to an employer paying the employee when he or she becomes eligible.

These portable schemes are certainly beneficial to employees in that they provide for LSL for service in an Industry rather than service with one employer as is the case for most other industries. This was legislated for many years ago to compensate employees for the transient nature of the employment in the industry.

However, the scheme does mean that the employer doesn't have to "find" thousands of dollars when an employee decides to go on LSL.

Whilst AMCA is not necessarily opposed to portable LSL Schemes they must be less expensive than the alternative.

If you have any queries please contact Peter Verberne at [pverberne@amca.com.au](mailto:pverberne@amca.com.au)

Yours sincerely

A handwritten signature in black ink, appearing to read 'Sumit Oberoi', with a stylized flourish at the end.

Sumit Oberoi

Executive Director