

Article Information

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Portable Long Service Leave for South Australian “Community Service” Sector Employees - Is Your Organisation Ready?

The South Australian Community Service Portable Long Service Leave Commences on 1 October 2025. How can your business expect to be impacted and how can an employer adequately prepare?

A new Portable Long Service Leave (**PLSL**) scheme for South Australian community service sector workers starts on 1 October 2025. This scheme is governed by the *Portable Long Service Leave Act 2024* (SA) (**PLSL Act**) and the *Portable Long Service Leave Regulations 2025* (SA) (**PLSL Regulations**).

The PLSL scheme has been introduced in an effort to “*give community services workers an incentive to stay in the sector ... and provide a better reward for work serving their community...*”. During its introduction, it was acknowledged that people who work in community services “*provide essential support to some of the most vulnerable people in our society... [performing] physically and emotionally demanding work that is overwhelmingly made up of women.*”

Broadly speaking, the new PLSL Scheme will mean that employees who are engaged in the ‘community services sector’ to provide ‘community services’ or support the provision of ‘community services’ will be entitled to long service leave once they have achieved 120 months of effective service. While the definition of community services is clear in the legislation, what the reference to supporting the provision of community services is intended to cover is less so.

Employers will have 28 days from 1 October 2025 to register through an online portal to begin participating in the PLSL scheme. The employer will then remit a quarterly levy of 2.2%, calculated with reference to their ‘designated worker’s’ ordinary weekly pay (excluding superannuation entitlements and many allowances, annual leave loading or bonus payments). The quarterly levy is paid to the PLSL Community Sector Board (**the Board**) and the first levy is required to be paid by 21 January 2026. A failure of an employer of a designated worker to register with the Board (or to correctly pay levies and complete returns) carries a civil penalty of up to \$10,000.

The online portal will indicate each designated worker’s accrued entitlement and their employer’s contribution to the scheme. Employees may receive contributions from multiple eligible employers. Eligible employees accessing long service leave under the Scheme will receive their payments from the Board directly, rather than from their employer.

Who does the PLSL Scheme cover?

The PLSL Act applies to a person’s employment if the person is engaged in the ‘community services sector’ to *perform* ‘community services’ or *support* the provision of ‘community services’.

‘Community services’ are services that qualify under Schedule 2 of the PLSL Act meaning they:

- involve the performance of work which has a rate of pay under a qualifying award (i.e. the *Social, Community, Home Care and Disability Services Industry Award 2010* or the *Aboriginal Legal Rights Movement Award 2016*); and
- fall within one of the following specified services:

Aboriginal and Torres Strait Islander
community services;

foster care and out-of-home care
services;

accommodation support services;	home and community care services;
advocacy services;	homelessness support services;
alcohol and other drug services;	lesbian, gay, bisexual, transgender and intersex services;
child safety and support services;	mental health services;
community development services;	migrant and multicultural support services;
community education services;	offenders transitioning services;
community legal services;	respite services;
counselling services;	seniors community support services;
disability emergency response services;	sexual assault and sexual violence services;
disability support services;	social housing services;
employment services;	violence prevention services;
family and domestic violence services;	women's services;
family day care services;	youth justice services;
financial counselling services	youth support services.

We note that an employee does not necessarily need to be employed under a qualifying award and can for example be employed under an enterprise agreement or individual contract at a different rate of pay, provided one of the relevant qualifying Awards would otherwise have coverage over the employment.

Transition from the *Long Service Leave Act 1987 (SA)*

For employees who do not have an accrued entitlement under the *Long Service Leave Act 1987 (SA)* (**LSL Act**) (i.e. more than 7 years of service), but remain employed by the same employer after 30 September 2025, their continuity of service will be preserved and credited under the PLSL Act. The employee will become eligible for long service leave as long as they remain employed by the same employer until after they accrue 7 years continuous service with the employer.

If an employee has an accrued entitlement under the LSL Act (i.e. more than 7 years of service) on 30 September 2025, and becomes a 'designated worker' on 1 October 2025, the employee's service will carry over. When the employee takes long service leave, or receives a payment in respect of long service leave, the employer will be required to pay the Board the portion of long service leave accrued by the employee immediately prior to 1 September 2025.

Practically, this means that the employer will be required to pay to the Board an amount which is equal to the employee's accrued long service leave entitlement immediately prior to the commencement of the scheme. This is an important consideration for employers because they will need to ensure they can cover any long service leave liabilities accrued before the scheme commenced.

If an employee ceases to be employed as a designated worker in circumstances where they accrued a pro-rated entitlement, they can apply to the Board for a payment of their pro-rated entitlement. The Board then can choose to approve or reject such an application.

Provided that an employer **agrees** to cashing out a PLSL entitlement, it will remain possible for employees to cash out long service leave entitlements under the scheme.

Next Steps

While there are a number of areas of the scheme that will necessarily need to be ironed out in practice, employers will need to assess their operations to confirm whether there is a need to register as soon as possible.

If your organisation would like advice specific to its own arrangements, our Employment Relations team are available to assist.