



CONSTRUCTION  
INDUSTRY  
LONG SERVICE  
LEAVE SCHEME

Employer



# ONSITE

The Official Newsletter of MyLeave



## MYLEAVE'S IT SYSTEMS ARE CHANGING

MyLeave has initiated an IT transformation project and are in the process of selecting and implementing a new Customer Relationship Management system (CRM). This will include updated online portals for both Workers and Employers. These portals will have increased functionality, improved validation rules for your data, increased security and a much-needed face lift. We will be engaging a selection of both Worker and Employer stakeholders in the coming months to ensure that current day needs are met.

**1% Contribution rate to apply for 2020**  
9% saving in contribution costs to employers from last year  
Contribution rate halved over the last 7 years

**The 2019 Annual Report of MyLeave (the Construction Industry Long Service Leave Scheme) was recently tabled in Parliament and shows that in the financial year ending 30 June 2019 MyLeave strengthened its financial position and delivered a fully funded Balance Sheet with an Accounting Ratio of 158% (assets/liabilities).**

MyLeave continued to process a significant number of payments to workers and in the 12 months to 30 June 2019 MyLeave made 5,808 worker payments totalling \$44.5 million. This was a slight increase on the 2018 level of 5,445 payments totalling \$43.7 million.

Statistics for 2019 reflect the continuing industry downturn and the important place in the industry that MyLeave has in delivering a significant volume, and value, of worker Long Service Leave payments.

## WHAT HAPPENED IN 2019



**107,873**  
employees registered  
in the Scheme



**\$44.5 million**  
paid in benefits



**\$41.21c**  
per year average administrative  
cost per registered construction  
industry employee



**5,808**  
employees received a  
benefit from the Scheme



**\$37.7 million**  
Contribution levy income  
generated from employers



**7.7%** investment return



**4,992**  
average number of  
registered employers



**\$404 million**  
accrued long service leave liability



**Top 20**  
'Best Practice Top 20 Large  
Agencies' in the Auditor  
General's Report to Parliament



**\$623 million**  
in cash and investments

# INFORMATION BOARD

## Employees eligible for the Scheme

Only employees working on site in classifications of work listed in a prescribed award are to be included on returns. The list of the prescribed awards is available on MyLeave's website. Workers employed in your own workshop or yard, and administration, clerical and managerial employees are not to be included on returns. If you are unsure of an employee's eligibility please contact a member of the Compliance and Advisory team at MyLeave.

Please note that corporate bodies such as partnerships, trusts/trustees and companies are not "Employees" in terms of the Act.

## Employee or subcontractor?

In cases where the situation is not clear, MyLeave has developed guidelines to assist in the determination of the matter.

A full copy of the guidelines is available on the MyLeave website.

In reaching a determination as to whether an employee/employer relationship exists, MyLeave would normally obtain documentation and seek responses to a number of questions which would draw out sufficient information on which to base a decision.

These questions and factors for consideration have been developed from judicial precedents.

If you are unsure of whether an employee/employer relationship exists, please first refer to the guideline brochure, if you are still in doubt, contact MyLeave.

## Lodging your Quarterly Returns via the MyLeave web portal

If you lodge your quarterly return to us via the MyLeave web portal, we recommend that you input the data as soon as possible. Don't delay in submitting your return until the last day as you may experience delays if high volumes of employers are trying to lodge their returns at the same time. The web portal is closed at the end of the due date for lodgment of returns.

Please note that there are two methods to lodge returns on the web portal;

- Direct entry into the Online Employer Return Form
- Upload of spreadsheet and then submission via the Online Employer Return Form

Both of these methods are very user friendly and you are able to use the practice facility available on the MyLeave website.

## Contribution Days

Contribution Days include part days and weekends (when penalty rates do not apply), on site in the construction industry, on which an employee is entitled to receive ordinary pay. This includes rostered days off, public holidays, annual leave, paid sick leave and workers compensation. Note: Part days in the construction industry are counted as full days.

Contribution Days can sometimes be difficult to assess for industrial instruments which are not based upon a standard 5 day week (Monday - Friday). The Compliance and Advisory team at MyLeave will be pleased to provide any necessary assistance to you in clarifying issues regarding penalty rates/ Contribution Days.

You will be required to provide a copy of your industrial instrument to the team for review purposes.

## Definition of Gross Pay for quarterly Returns

When preparing your quarterly returns, the gross pay for contribution days is the rate of pay due to an employee for paid leave, excluding leave loading and is based on a 38 hour week unless you have a formal industrial instrument providing otherwise. Gross pay and contribution days must be calculated in calendar years and not financial years as the levy may differ from 1 January of each year.

Please note that gross pay does not include annual leave loading but does include other amounts such as rental allowance, utilities allowance, living away from home allowance etc - if these allowances are due to an employee when on paid leave.

If an employee is not entitled to paid leave, for example where an all up rate applies or the employee is employed as a casual, then the rate to be used is the rate of pay payable for ordinary hours. For instance the ordinary rate for casuals will include the casual loading.

## Working Directors

Working Directors are a special category of employee in the Scheme and the definition of 'ordinary rate of pay' poses particular problems in regard to the treatment of Working Directors.

For Working Directors the ordinary rate of pay is the rate of pay being received by Directors as employees of their business. This would be the amount that they draw down as wages on a defined, regular, at least monthly basis, for which they pay tax on a PAYG basis, have wage records for and are issued a PAYG Certificate at the end of each financial year.

One off adjustments during or at the end of the financial year are not included, nor can they be averaged out over the year, and salary sacrificing sums are also not included for income purposes.

Working Directors who do not draw a regular wage cannot then meet these requirements and their status in the Scheme is in doubt.

Working Directors who are in this situation or are unsure of these arrangements should contact a member of the Compliance and Advisory team at MyLeave on 9476 5400 or for country callers 1800 198 136 to discuss the matter.

Quarterly returns are only to record service days when Working Directors are on site and working in a prescribed classification.

## Maintenance work is included

Please be aware that maintenance work is also covered by this Scheme. Many employers think that we only cover construction work.

## Employees under the temporary skilled migration (subclass 457) program or the Temporary Skill Shortage (TSS) visa program

Ensure that workers employed under the above programs are included on quarterly returns.

## How does my employee apply for long service leave?

All that your employee has to do to claim their long service leave is complete and submit the Application for Payment of Long Service Leave Form to MyLeave. A copy of the form may be obtained on our website or by calling us. The form is in two parts. The employee should complete Part 1, and you, the employer, should complete Part 2. Once both parts are completed please send the form to MyLeave by email, post or fax and we will process the application. An application usually takes 2 weeks to process.

## NEED A HELPING HAND?

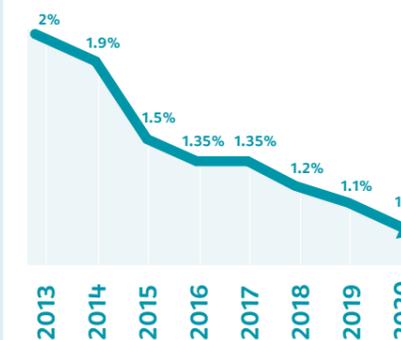
You'll find our website gives you the answers quickly!

[www.myleave.wa.gov.au](http://www.myleave.wa.gov.au)

## IMPORTANT NOTICES

### Contribution rate

MyLeave wishes to advise that following the annual Actuarial review, and analysis by Board Members, the contribution rate will reduce to 1% of the ordinary rate of pay for 2020 (1.1% in 2019). This represents a 9% saving in contribution costs to employers from last year. The contribution rate has halved over the last seven years and is part of MyLeave's objective to minimise the rate payable by employers.



Employer returns recording service from 1 January 2020 will therefore be submitted at the reduced rate of 1%.

### Paperless quarterly returns

Quarterly returns are distributed via email. This process enables employers to complete quarterly returns online and reduces postage and processing expenses. If you cannot locate your quarterly return please check your email spam folder.

### Paperless distribution of employee Annual Notices

The preferred method of distributing employee Annual Notices is via email. This provides an efficient service to employees and reduces postage and processing expenses. The MyLeave team will liaise with employers to collect employee email addresses where they are not currently held. Employees without email addresses will receive their Annual Notice in the post.

### Access a full copy of the annual report online!



## APPRENTICES

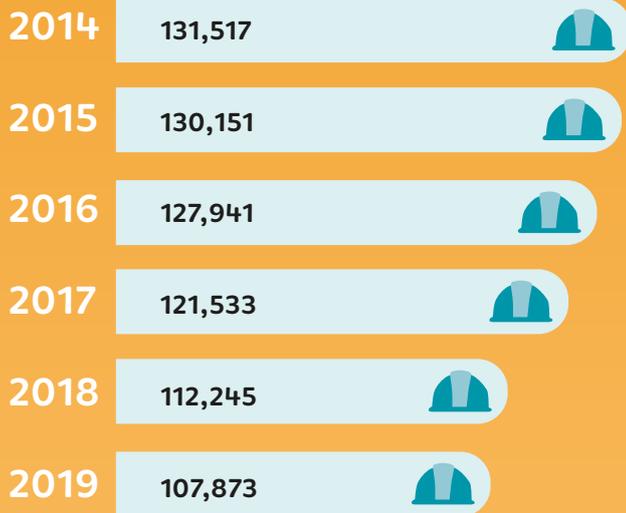
Employers are reminded that apprentices must register to join the Scheme and that time served as an apprentice counts towards a long service leave entitlement.

Employers do not have to make financial contributions for apprentices, however are required to complete quarterly returns showing service days in the industry.

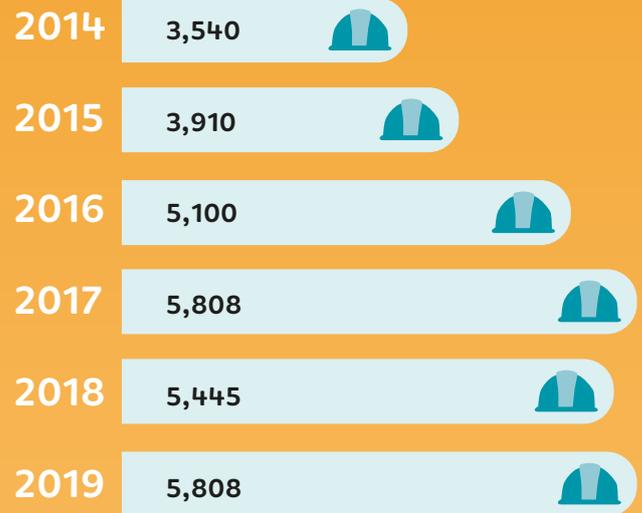
The Act provides the following definition of apprentices; apprentice means a person who is an apprentice under a training contract that:

- provides for training in a classification of work referred to in a prescribed industrial instrument relating to the construction industry that is a prescribed classification; and
- is registered under the *Vocation Education and Training Act 1996* Part 7 Division 2 or an Act of another State or Territory that corresponds to that Act.

## Number of employees registered



## Number of LSL claims processed



## Value of LSL claims paid



## Value of assets



## CONTACTING THE BOARD

Website:	<a href="http://www.myleave.wa.gov.au">www.myleave.wa.gov.au</a>
Email:	<a href="mailto:hi@myleave.wa.gov.au">hi@myleave.wa.gov.au</a>
Telephone:	(08) 9476 5400
Freecall:	1800 198 136 Mon - Fri 8:00am to 4:30pm
Facsimile:	(08) 9321 5404
Address:	3rd Floor, 50 Colin Street West Perth WA 6005
Postal Address:	PO Box 1333 West Perth WA 6872

## INTERSTATE SCHEME WEBSITES

Northern Territory	<a href="http://www.ntbuild.com.au">www.ntbuild.com.au</a>
Queensland	<a href="http://www.qleave.qld.gov.au">www.qleave.qld.gov.au</a>
New South Wales	<a href="http://www.longservice.nsw.gov.au">www.longservice.nsw.gov.au</a>
Australian Capital Territory	<a href="http://www.actleave.act.gov.au">www.actleave.act.gov.au</a>
Victoria	<a href="http://www.coinvest.com.au">www.coinvest.com.au</a>
Tasmania	<a href="http://www.tasbuild.com.au">www.tasbuild.com.au</a>
South Australia	<a href="http://www.portableleave.org.au">www.portableleave.org.au</a>

## WHO'S ON THE BOARD

**Ms Susan Barrera**  
Chair

**Representing employees**  
Mr Mick Buchan  
Ms Meredith Hammat  
Mr Steve McCartney

**Representing employers**  
Ms Joanne Alilovic  
Mr Michael McLean  
Ms Kate Schick

Board Members appointment term expires 24 September 2020