



LEGISLATIVE ASSEMBLY
FOR THE AUSTRALIAN CAPITAL TERRITORY

STANDING COMMITTEE ON ECONOMY AND GENDER AND ECONOMIC EQUALITY
Ms Leanne Castley MLA (Chair), Ms Suzanne Orr MLA, Mr Johnathan
Davis MLA

Submission Cover sheet

**Inquiry into Long Service Leave (portable
Schemes) Amendment Bill 2022**

Submission number: 04

Date authorized for publication: 20 January 2023

From: [Rebecca Guymer](#)
To: [LA Committee - EGEE](#)
Subject: [REDACTED]

[REDACTED]

Dear Committee,

I am writing to you to **OPPOSE** the introduction of a portable scheme for Long Service Leave in the ACT, especially relating to the hairdressing industry.

My husband and I are the owners of Sassy Hair Canberra, a salon group that we initially established in Weston in 2005. We have now grown to three salons located in Weston, Pearce and Hawker and employ 20 people, either on a full time, part time or casual basis.

We were **NOT CONSULTED** regarding the introduction of this bill, and have not heard about any industry consultation taking place within our industry networks.

We do not believe that

Our opposition comes about from the following view points as detailed below:

1. It is my understanding that the initial purpose of providing for long service leave to employees was reward them for their loyalty in staying with the same employer for a continuous period of 10 years. The provisions of this bill are in direct contravention of meeting this purpose. In fact, it provides an avenue to make it easier for an employee to leave their employment and move on. A portable scheme for long service leave would not keep people within our industry, nor add to our industries sustainability. We have employed people in the past who have not been paid their entitlements properly and have had no idea about the legalities of this. Therefore I can not see that this will be something employees suddenly grasp hold of and see it as a win. Some staff have barely been paid correctly in the first place. People aren't entering the hairdressing industry because of a possibility of being able to move about easily. People are joining the industry because of their passion. This bill will not change that.
We have paid Long Service Leave to several members of staff in our time and have been happy to do so to reward their loyalty. This has allowed them to take extended leave to have a baby or travel overseas or just take a well deserved break. We thoroughly agree with the use of Long Service leave in such a manner.
2. I can see that a portable long service leave scheme would work well within the building industry where they work on a per project basis, moving from site to site. But hairdressing does not work like this, and encouraging an environment of transiency will do nothing but harm our industry.

3. If an employee chooses to leave to go to another employer, that decision is theirs to make. But it is not right to make this easier to happen, with an employer bearing the cost of this. We invest considerable amounts of money into our staff already – our education bill alone is approximately \$25,000 a year. We should not have to bear the extra financial burden of disloyal employees as well.
4. At this time, in our current economic climate, small business can not handle an added cost such as this to have to pay out. This is not an avoidance tactic, as we are aware that it is law that we have to pay for this entitlement – but at the legislated points within someone’s loyal career. What it means in its current form is that we are able to manage our own money to best suit our business needs. Please note, we have always met our financial obligations in regards to employee entitlements.
5. Lastly, the bill and explanatory statements do not adequately detail what happens in the circumstances of where employees still leave the industry before they are due their entitlement - despite all of these measures. What happens to the money that has been paid into the scheme in an attempt to keep them in the industry?

This bill will not provide a basis for retention, if the industry itself no longer exists because of erroneous measures that simply can’t be met by small business.

Thank you for your consideration,

Rebecca

