



WHAT AN EMPLOYER NEEDS TO KNOW. EMPLOYER GUIDE

CONTRACT CLEANING INDUSTRY

THE CONTRACT CLEANING INDUSTRY (PORTABLE LONG SERVICE LEAVE SCHEME) ACT 2010



Long Service
CORPORATION



This guide is current at July 2015.

It does not replace the *Contract Cleaning Industry (Portable Long Service Leave Scheme) Act 2010* and regulations. More information on any of the topics covered in this guide is available on our website www.longservice.nsw.gov.au/ci

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OVERVIEW

LONG SERVICE CORPORATION

BACKGROUND

The Contract Cleaning Industry (Portable Long Service Leave Scheme) Act 2010 commenced on 1 July 2011.

PAYING LONG SERVICE UNDER THE LONG SERVICE LEAVE ACT 1955

If you employ the same person for long enough they may be entitled to a long service benefit from you under the NSW Long Service Leave Act 1955.

The portable long service scheme does not change the entitlements already accrued under the NSW Long Service Leave Act 1955 and further information can be obtained by contacting the NSW Office of Industrial Relations on 13 16 28 or visit the website www.industrialrelations.nsw.gov.au.

Employers may be reimbursed where an entitlement (under the Long Service Act 1955) has been paid. A reimbursement claim cannot be paid unless the return in which the accrued long service leave taken by the employee has been lodged and the levy paid. Reimbursements will only apply to the part of the entitlement that was accrued after 1 July 2011.

Payments to employers by the Corporation can only be made in relation to registered workers where returns have been lodged and levy contributions made within the required time frames.

HOW IS THIS DIFFERENT FROM THE USUAL LONG SERVICE LEAVE?

The scheme rewards cleaning employees after 10 years service in the cleaning industry rather than continuous employment with one employer. That means portable long service leave entitlements accrue regardless of the number of employers a cleaning worker may have during their working life.

WHO IS THE LONG SERVICE CORPORATION?

The Corporation is a NSW government agency set up to administer portable long service schemes.

WHAT IS THE DEFINITION OF CLEANING WORK?

Work that has as its only or main component, the bringing of premises into, or maintaining premises in a clean condition.

WHAT IS THE DEFINITION OF THE CONTRACT CLEANING INDUSTRY?

The legislation defines the contract cleaning industry in NSW as the industry in which employers provide cleaning workers to do cleaning work (and minor property maintenance work incidental to the cleaning work) to other people.

So that means if your business supplies one or more cleaning workers on wages or salary to do cleaning work in NSW to a third party then you are an employer in the contract cleaning industry.

A contract can be written or verbal.



WHAT DO I NEED TO DO AS AN EMPLOYER?

You must:

- register with us and lodge quarterly returns online for your cleaning employees.
- pay a levy of 1.7% on the gross ordinary wages reported on your quarterly return.
- the first return you lodge will need to list all your employee's details and their gross ordinary wages for the quarter.
- on subsequent returns you will just need to add any new employees onto the return, let us know the ceased date of anyone who terminated employment during the return period and enter each employee's gross ordinary wages for that return period.

THERE ARE 4 RETURNS TO BE COMPLETED EACH YEAR

RETURN PERIOD	DEADLINE FOR LODGEMENT OF RETURNS
1 January to 31 March	14 April
1 April to 30 June	14 July
1 July to 30 September	14 October
1 October to 31 December	14 January

WHO PAYS FOR THE SCHEME?

The scheme is funded by a levy paid by contract cleaning industry employers. The levy is 1.7% of the gross ordinary wages of workers. The levy can be paid by the BPAY facility through your bank or by cheque. The Corporation will advise you of BPAY reference and biller code on the quarterly return.





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THE SCHEME COVERS

Employers

Employers have an obligation under the legislation if they employ one or more persons on wages to perform cleaning work in the NSW contract cleaning industry.

Employees

Cleaning employees who are employed under a contract of employment by a cleaning employer to perform cleaning work in NSW. This includes full time, part time and casual workers.

Supervisors

Workers who do cleaning work for the majority of their time and also supervise other cleaning workers are covered under this scheme.

Sole Traders

Sole traders who perform cleaning work in the NSW cleaning industry may also apply to register and submit quarterly returns on their own behalf.



WHO IS NOT CONSIDERED A CLEANING WORKER?

The scheme does not cover a person who is:

- Employed solely to supervise cleaning workers
- Performing mainly managerial, office or administrative work
- A partner in a partnership they work for
- A director of the company they work for
- A trustee of the trust they work for
- Under a contract of employment with a Commonwealth, State, Territory or Local Government authority
- Directly employed on wages by an office, shopping centre, factory, school, nursing home, hospital or other non-cleaning business.

YOU CAN REGISTER AS AN EMPLOYER VIA

The Internet

Go to www.longservice.nsw.gov.au and download an Employer Registration Application
or

The Corporation's Helpline

If you do not have access to the internet you can contact the Corporation's Helpline on 13 14 41 and request an Employer Registration Application form.



WHAT TO INCLUDE IN GROSS ORDINARY WAGES?

Payments to be included when calculating gross ordinary wages are:

- Award rate of pay
- Over award payments
- Shiftwork, weekend work and public holiday penalty rates on normal rostered shifts forming ordinary hours of duty (other than overtime)
- Annual leave (where taken as leave)
- Bereavement leave
- Personal/Carer's leave
- Casual loading
- Long service leave (where taken as leave)
- Sick leave
- Paid maternity/paternity/parental leave (when paid directly by the employer)
- Public holidays
- Workers compensation payments (when made by the employer in the first instance and the employer is then reimbursed by the insurance company)
- Jury service
- First aid allowance
- Toilet allowance
- Refuse collection allowance
- Broken shift allowance

Note: Wages must be a gross figure, before tax and any other deductions including salary sacrificing.



WHAT NOT TO INCLUDE IN GROSS ORDINARY WAGES?

Payments that are not to be included when calculating gross ordinary wages:

- Overtime
- Leave loading
- Lump sum payments for accrued annual leave
- Sick leave or long service leave paid on termination
- Payments in lieu of notice
- Christmas bonuses
- Ex-gratia payments
- Travel allowance
- Payment for materials and equipment
- One-off bonuses
- Meal allowance
- Protective clothing allowance
- Workers compensation payments when paid directly by the insurance company to the worker
- Redundancy payments
- Australian Government Paid Parental Leave Scheme
- Superannuation



EXAMPLES OF CLEANING WORK COVERED BY THE SCHEME

- Carpet cleaning
- Chimney sweeping
- Computer cleaning
- Onsite disaster cleaning
- Domestic cleaning
- Duct cleaning
- High pressure or chemical graffiti removal
- Gutter and roof cleaning
- Steam and pressure cleaning (pavers, walkways, buildings etc)
- Housekeeping if directly employed by a cleaning business
- Mopping/sweeping/vacuuming/dusting
- Cleaning of stadiums and public areas
- Rubbish collection excluding by vehicle
- Table bussing (food courts)
- Onsite tank cleaning
- Toilet cleaning
- Window cleaning
- Trolley collection when not employed directly by the supermarket
- Swimming pool cleaning (not repair &/or maintenance work)
- Cleaning and sanitisation of food processing plants

Note: This is not a comprehensive list and if your situation does not apply to the above examples please contact the Helpline on 13 14 41.



EXAMPLES OF CLEANING WORK NOT COVERED BY THE SCHEME

- Lawn mowing
- Garden maintenance
- Sanitary hygiene control
- Cleaning mobile plant and equipment
- Rubbish removal by vehicle
- Removal of waste oil/septic tank/grease traps
- General handy man work
- Cleaning of aircraft, trains, cars, mobile plant etc
- Initial or final cleaning on new construction sites
- Administrative/office work
- Laundry work
- Food preparation
- Personal care work where majority of the work is not cleaning

Note: This is not a comprehensive list and if your situation does not apply to the above examples please contact the Helpline on 13 14 41.

WHAT DO YOU NEED TO DO IF YOUR BUSINESS CEASES TRADING?

If your business has ceased to trade or has ceased to employ cleaning workers you will need to:

- Lodge all returns and pay the levy up to the date the business ceased employing cleaning workers
- Email the Corporation at info@longservice.nsw.gov.au or phone the Helpline on 13 14 41 to provide the date your business ceased trading/employing cleaning workers.
- Where returns and levy contributions are up to date, an Employer Cancellation Statutory Declaration will be forwarded to you to complete.

WORKING OUTSIDE NSW

If you employ workers who do cleaning work in another state or territory, you need to comply with the long service requirements in each of those other states or territories. This scheme only covers those workers who perform eligible cleaning work in NSW. Currently similar schemes exist in the ACT and in QLD.

AUDITING YOUR RECORDS

Inspectors from the Corporation are authorised under the Act to enter any business premises at any time to determine whether any workers in the contract cleaning industry are employed or engaged there. Inspectors have the authority to audit employer's records and employers are required to keep their records for seven (7) years after a worker ceases employment.

An employer must keep the following records:

- Worker's name and date of birth
- Worker's registration number with the scheme
- A description of the work carried out by the worker
- Worker's gross ordinary wages for each return period
- Number of days worked in each return period
- Date the worker started/commenced service
- Date the worker ceased employment
- Records of any long service leave provided to the worker





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PENALTIES APPLY FOR FAILING TO MEET YOUR LEGISLATIVE OBLIGATIONS

The following penalties apply for failing to meet your legislative obligations.

- Failure by a person who becomes an employer on or after 1 July 2011 to register as an employer within one (1) month.
Maximum Penalty \$5,500.
- Failure by a person who is an employer before 1 July 2011 to register within one month of commencement of the Act.
Maximum Penalty \$5,500.
- Failure by an employer to register a worker within 14 days after the end of the 3 month return period.
Maximum Penalty \$2,200.
- Failure by an employer to provide the following information on the quarterly return (a) total ordinary wages paid, (b) commencement date, (c) ceased date.
Maximum penalty \$4,400.
- Failure to keep written records showing relevant particulars for each worker who performs cleaning work.
Maximum penalty \$2,200.
- Failure to keep written records for seven (7) years after the worker ceased employment.
Maximum penalty \$2,200.
- Failure to pay the levy.
Maximum penalty \$2,200.
- Failure to pay an additional levy due to a variation of ordinary wages, as determined by the Corporation, within one month or as the Corporation allows.
Maximum penalty \$2,200.
- A person must not willfully obstruct, delay or hinder an inspector in the exercise of the inspector's powers or refuse to allow an inspector to enter any premises the inspector may lawfully enter.
Maximum penalty \$5,500.
- For a person who provides false or misleading information to the corporation.
Maximum penalty \$5,500.



WHAT DECISIONS CAN AN EMPLOYER APPEAL AGAINST?

An employer can appeal to the independent Contract Cleaning Industry Long Service Leave Committee if the Corporation has:

- Refused an application for registration as an employer
- Cancelled an employer's registration
- Refused an application to register a worker
- Refused to grant an exemption or revoked an exemption from lodging a return
- Refused to grant an extension of time to pay a levy
- Refused to waive or reduce interest on unpaid levies
- Made an assessment on an unpaid levy

If you are affected by a decision on one of the above matters, the Corporation will advise you in writing with an explanation of the reasons for the decision. There may be additional information which you can provide to the Corporation so the decision can be reviewed.

For information on how to lodge an appeal, phone the Committee Clerk on 13 14 41.



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CUSTOMER SERVICE

13 14 41

8.30am to 5.00pm Monday to Friday
www.longservice.nsw.gov.au

EMAIL

info@longservice.nsw.gov.au

ADDRESS

Level 1, 19-21 Watt Street,
Gosford NSW 2250

WRITE

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Central Coast MC, NSW 2252